STATE OF CALIFORNIA
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

Assembly Bill No. 1602

CHAPTER 24

An act to amend Sections 18701, 18703, 18710, 18724, 18731, 18743, 18745, 18766, 70023, 84750.6, 84905, 84917, 84920, 88540, 89290, and 92670 of, to add Section 41329.60 to, to add Article 2.6 (commencing with Section 66010.96) to Chapter 2 of Part 40 of Division 5 of Title 3 of, to add Article 4 (commencing with Section 78050) to Chapter 1 of Part 48 of Division 7 of Title 3 of, and to add Article 7.8 (commencing with Section 92680) to Chapter 6 of Part 57 of Division 9 of Title 3 of, to add Part 54.3 (commencing with Section 88815) and Part 54.5 (commencing with Section 88820) to Division 7 of Title 3 of, and to repeal Sections 18732, 18744, 18751, 18765, and 99206 of, the Education Code, to amend Section 13988.4 of, and to add and repeal Article 6 (commencing with Section 65055) of Chapter 1.5 of Division 1 of Title 7 of, the Government Code, to add Title 12.2 (commencing with Section 14230) to Part 4 of the Penal Code, to amend Section 10340 of the Public Contract Code, to amend and repeal Section 9 of Chapter 489 of the Statutes of 2007, and to amend Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015), relating to education, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 27, 2016. Filed with
Secretary of State June 27, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1602, Committee on Budget. Education.

(1) The California Library Services Act establishes the California Library Services Board and provides that its duties include, among other things, adopting rules, regulations, and general policies relating to the implementation of the act.

This bill would revise and recast the act, including, among other things, removing from the board the powers to annually submit budget proposals as part of the annual budget of the Department of Education and to develop formulas for the equitable allocation of reimbursements to public libraries, as defined, for providing specified library services.

This bill would appropriate $3,000,000 from the General Fund to the California State Library for allocation pursuant to the bill. The bill also would require the California State Library, on or before September 1, 2017, to submit a specified report on the use of those funds to the Director of Finance and the Legislature.

(2) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this

state. The board appoints a chief executive officer known as the Chancellor of the California Community Colleges. Under existing law, community college districts are authorized, among other things, to maintain and operate campuses, employ faculty and other employees, and provide instruction to students.

This bill would establish the Zero-Textbook-Cost Degree Grant Program, which would require the chancellor to award grants to community college districts that meet specified criteria for developing and implementing associate degrees and career technical education certificate programs earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies. The bill would require the chancellor, by June 30, 2019, to report to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the development and implementation of these degrees and would authorize the allocation of a portion of the funds appropriated in the annual Budget Act for the program so that the chancellor's office may contract with a community college district to administer the program.

This bill would appropriate $7,000,000 from the General Fund to the board of governors for allocation, for the 2016–17 fiscal year, to community college districts to enhance network infrastructure through the Telecommunications and Technology Infrastructure Program administered by the board of governors. These funds would be applied toward the minimum funding requirements for the 2015–16 fiscal year for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(3) Existing law authorizes a school district or community college district to receive an advance of apportionments owed to the district from the State School Fund and the Education Protection Account. Existing law requires a school district or community college district that receives an emergency apportionment to enter into a lease financing agreement with the California Infrastructure and Economic Development Bank for the purpose of financing the emergency apportionment and specifies various terms of the lease. Existing law appropriates $30,000,000 from the General Fund to the Board of Governors of the California Community Colleges for apportionment to the Compton Community College District as an emergency apportionment, as specified.

This bill would require that the interest rate for those emergency apportionments made to the Compton Community College District be 2.307% beginning July 1, 2016.

(4) Existing law appropriates $33,100,000 from the General Fund to the Board of Governors of the California Community Colleges for faculty and staff development activities and to provide grant funds to community college districts for improving outcomes of students who enter college needing at least one course in English as a second language or basic skills, with particular emphasis on students transitioning from high school, as specified.

This bill would make the provisions related to the appropriation inoperative on July 1, 2018, and would repeal it as of January 1, 2018.

This bill would establish the Student Success for Basic Skills Program to be administered by the Chancellor of the California Community Colleges. The bill would require the Board of Governors of the California Community Colleges to allocate funds, provided in the annual Budget Act for the Student Success for Basic Skills Program, for faculty and staff development activities and to provide grant funds to community college districts for improving outcomes of students who enter college needing at least one course in English as a second language or basic skills, with particular emphasis on students transitioning from high school, as specified. The bill would, in order to be eligible to receive grant funds, require a community college district to submit to the office of the Chancellor of the California Community Colleges an application containing specified information. The bill would require the chancellor to distribute grant funds to community college districts based on certain weighted factors. The bill would require the office of the chancellor to consult with the Department of Finance and the Legislative Analyst to develop and recommend annual accountability measures for the program. The bill would, on or before March 15, 2020, require the office of the Chancellor of the California Community Colleges, in consultation with the Department of Finance and the Legislative Analyst's Office, to report on the effectiveness of the factors used to allocate funding under this program in improving outcomes for students requiring remediation. These provisions would become operative on July 1, 2017.

(5) Existing law provides, in calculating each community college district's revenue level each fiscal year, that the Board of Governors of the California Community Colleges shall subtract, from the total revenues owed, certain amounts, including certain amounts received pursuant to certain provisions of existing law relating to redevelopment that, for purposes of community college revenue levels, are considered to be from property tax revenues.

This bill would appropriate, for the 2016–17 fiscal year, $31,695,000 from the General Fund to the board of governors for allocation to community college districts to backfill a projected shortfall in specified revenues for these districts. The bill would require the Director of Finance to determine the need for the backfill, as specified, and notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of the amount needed to address the revenue shortfall. The bill would allocate any funds remaining from this appropriation after final calculation of the amount of the shortfall to the reimbursement of state-mandated local program costs of community college districts. The bill would authorize the Chancellor of the California Community Colleges to disburse the amount determined and to work with the Controller to allocate the funds to districts. This appropriation would be applied toward the minimum funding requirements for the 2015–16 fiscal year for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution, as specified.

(6) Existing law establishes the California Distance Learning Policy, which sets forth the guiding goal and principles for the utilization of technology in postsecondary education.

This bill would appropriate $20,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to expedite and enhance the adaptation and development of courses that are available through the online course exchange of the Online Education Initiative. This appropriation would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution for the 2014–15 fiscal year, as specified.

(7) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law establishes community college districts throughout the state and authorizes them to operate campuses and provide instruction to students.

This bill would establish the Awards for Innovation in Higher Education Program, under the administration of the Committee on Awards for Innovation in Higher Education, composed of specified members, to award funds appropriated for the program in the Budget Act of 2016 to community colleges for implementing innovations that reduce the time it takes students to complete degrees and credentials or reduce the total cost of attendance for students, as specified.

This bill would also establish the Strong Workforce Program, to provide funding to career technical education regional consortia made up of community college districts. The program would require consortia to collaborate with local educational agencies and other interested bodies that meet certain requirements for purposes of expanding the availability of quality community college career technical education and workforce development courses, programs, pathways, credentials, certificates, and degrees for community college students. The bill would authorize a portion of funds appropriated for the program to be allocated by the board of governors to a community college district for purposes of administering and improving the program, as provided. The bill would require the chancellor's office, among other things, to (A) implement performance accountability outcome measures for the program, (B) post on its Internet Web site regional plans required under the program, along with updates to those plans, (C) solicit feedback from each consortium on recommendations for improving the program, and (D) report, commencing in 2018, to the Legislature by the January 1 immediately subsequent to the fiscal year that the report addresses, data summarizing the performance accountability outcome measures, a summary of the recommendations received from consortia, and recommendations for future allocations to consortia, as specified.

(8) Existing law requires the Board of Governors of the California Community Colleges to provide the San Francisco Community College District with certain revenues in the 2014–15, 2015–16, and 2016–17 fiscal years if the number of full-time equivalent students (FTES) of the community college district decreases from the 2012–13 fiscal year and certain conditions

are satisfied, including that the board of governors finds the community college district or one of its campuses is in imminent jeopardy of losing its accreditation.

This bill would provide that for 5 fiscal years beginning with the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES if there is a subsequent increase in FTES.

This bill would make legislative findings and declarations as to the necessity of a special statute for the San Francisco Community College District.

(9) Existing law establishes the Adult Education Block Grant Program under the administration of the Chancellor of the California Community Colleges and the Superintendent of Public Instruction. The program requires the chancellor and the Superintendent, with the advice of the Executive Director of the State Board of Education, to divide the state into adult education regions and approve one adult education consortium in each adult education region, as specified.

Existing law requires the chancellor and the Superintendent, with the advice of the executive director, to approve, for each consortium, rules and procedures that adhere to prescribed conditions. Existing law authorizes the members of the consortium to designate a member to serve as the fund administrator to receive and distribute funds from the program.

This bill would add to these rules and procedures a requirement that, in its decisionmaking process, the consortium consider input provided by pupils, teachers employed by local educational agencies, community college faculty, principals, administrators, classified staff, and the local bargaining units of the school districts and community college districts before it makes a decision. The bill would require a member, if chosen to be the fund administrator, to commit to developing a process to apportion funds to each member of the consortium pursuant to the consortium's plan within 45 days of receiving funds appropriated for the program.

(10) Existing law requires, as a condition for the receipt of an apportionment of funds from the Adult Education Block Grant Program for a fiscal year, that members of a consortium, approved for the program, approve an adult education plan, as specified. Existing law requires the Chancellor of the California Community Colleges and the Superintendent of Public Instruction to report to the Director of Finance, the State Board of Education, and the Legislature, by September 30 following any fiscal year for which funds are appropriated for the program, about the use of these funds and outcomes for adults statewide and in each adult education region established under the program. Existing law requires the chancellor and the Superintendent to establish common assessments and policies regarding placement of adults seeking education and workforce services into adult education programs, as specified.

This bill would require the chancellor and the Superintendent to submit preliminary reports on or before October 30 following each fiscal year for which funds are appropriated, and final reports on or before February 1 of

the following year, about the use of available funds and outcomes for adults statewide and in each adult education region. The bill, no later than August 1, 2017, would require the chancellor and the Superintendent to report to the Director of Finance, the State Board of Education, and the appropriate policy and fiscal committees of the Legislature on options for integrating the assessments described above into a specified common assessment system, compliance of the assessments with federal and state funding requirements for adult education programs, estimated costs and timelines for the assessments, and changes in policies that may be needed to avoid duplicate assessments.

This bill would appropriate, for the 2016–17 fiscal year, $5,000,000 from the General Fund to the Chancellor of the California Community Colleges for allocation. For this purpose, the bill would require the chancellor and the Superintendent to jointly select a community college district, school district, county office of education, or adult education consortium to provide statewide leadership, as defined, for community college districts and local educational agencies participating in the Adult Education Block Grant Program. The bill would provide that the selected community college district or local educational agency would expend funds received to support the statewide leadership activities identified in the bill and to provide leadership activities in the 2016–17, 2017–18, and 2018–19 fiscal years.

This appropriation would be applied toward the minimum funding requirements for the 2016–17 fiscal year for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(11) Existing law establishes the Career Technical Education Pathways Program, which requires the Chancellor of the California Community Colleges and the Superintendent of Public Instruction to assist economic and workforce regional development centers and consortia, community colleges, middle schools, high schools, and regional occupational centers and programs to improve linkages and career technical education pathways between high schools and community colleges, as specified. Existing law provides that the program becomes inoperative on July 1, 2016, and as of January 1, 2017, is repealed, unless a later enacted statute that becomes operative on or before January 1, 2017, deletes or extends the dates on which the program becomes inoperative and is repealed.

This bill would change the dates on which the program becomes inoperative and is repealed to July 1, 2017, and January 1, 2018, respectively. This bill would therefore extend the operation of the program by one year.

(12) Existing law requires the University of California and the California State University to report biennially to the Legislature and the Department of Finance on their respective total costs of education, as specified.

This bill would require the University of California and the California State University to include in these reports information on their costs based on the methodology developed by the National Association of College and University Business Officers in its February 2002 report and other

methodologies determined by the university. The bill would fix 2 cross references.

(13) Existing law establishes the Middle Class Scholarship Program under the administration of the Student Aid Commission. Existing law requires $116,000,000 for the 2016–17 fiscal year and $159,000,000 for the 2017–18 fiscal year to be transferred, upon order of the Director of Finance, from the General Fund to the Middle Class Scholarship Fund. Existing law appropriates these moneys to the commission for allocation pursuant to the Middle Class Scholarship Program.

This bill would reduce the amounts for transfer and appropriation for the Middle Class Scholarship Fund to $74,000,000 for the 2016–17 fiscal year and $117,000,000 for the 2017–18 fiscal year, thereby making an appropriation.

(14) The California Constitution provides that the University of California constitutes a public trust administered by the Regents of the University of California, a corporation in the form of a board, with full powers of organization and government, subject to legislative control only for specified purposes. Existing law defines "unduplicated pupils" as any pupil who is an English language learner, foster youth, or eligible for free or reduced-price meals.

This bill would require the university, if funds are appropriated in the Budget Act of 2016 to the university, to adopt a plan to improve the university's admission, enrollment, and graduation of students who were enrolled in schools identified by the Superintendent of Public Instruction as having at least 75% of the school's total enrollment in grades 9 to 12, inclusive, consist of unduplicated pupils. The bill would require the university to submit to the Director of Finance and the Legislature an evaluation of the costs and benefits of providing application fee waivers for these students by no later than December 15, 2016. Commencing in 2017, the bill would require the university to submit to the director and the Legislature the number of these students who were admitted and who were enrolled, disaggregated by campus, by no later than November 30 of each year.

Existing law, until June 30, 2017, requests the Regents of the University of California, with the approval of the Concurrence Committee, to establish and maintain cooperative endeavors designed to accomplish specified purposes related to teacher professional development.

This bill would extend the operation of these provisions relating to teacher professional development indefinitely.

(15) Existing law establishes and funds various research centers and programs in conjunction with the University of California.

This bill would enact the California Firearm Violence Research Act. The bill would declare the intent of the Legislature that the Regents of the University of California establish and administer a Firearm Violence Research Center to research firearm-related violence. The bill would declare the intent of the Legislature regarding the principles by which the university would administer the center and award research funds, as prescribed. The

bill would state the intent of the Legislature that the university report, on or before December 31, 2017, and every 5 years thereafter, specified information regarding the activities of the center and information pertaining to research grants. The bill would require the center and the grant recipients to provide copies of their research publications to the Legislature and specified agencies. The bill would specify that its provisions would apply to the university only to the extent that the regents, by resolution, make any of the provisions of the bill applicable to the university.

(16) The Budget Act of 2015 appropriated specified funds to the Board of Governors of the California Community Colleges for increasing the number of full-time faculty within the community college system. The act required these funds to be allocated to all community college districts on a specified basis by modifying each district's budget formula.

This bill would amend the Budget Act of 2015 to require all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, to receive this funding.

(17) Existing law requires the California State University, and requests the University of California, to establish a model uniform set of academic standards for high school courses for purposes of recognition for admission to the California State University and to the University of California, respectively. These uniform set of academic standards are commonly referred to as the "a-g" subject requirements.

This bill would establish the A-G Success Initiative and would appropriate the sum of $4,000,000 from the General Fund to the University of California to be used for the development of online classes and curriculum for at least 45 middle and high school courses that would be aligned with the academic content and state standards adopted by the State Board of Education and approved by the University of California for purposes of satisfying the "a-g" subject requirements. The bill would condition the receipt of these moneys on the University of California soliciting comments from the representatives of local educational agencies regarding the specific online classes and curriculum to be developed, submitting a report, no later than January 1, 2017, to the Legislature and specified persons on the specific online classes and curriculum selected for development, making the developed online classes and curriculum available no later than January 1, 2018, and conducting outreach specifically to pupils from groups underrepresented in higher education regarding options for satisfying the "a-g" subject requirements. The bill would require that the developed online classes and curriculum be free for California public school pupils and teachers.

(18) Existing law, commencing with the 2013–14 academic year, requires the California State University to report, by March 15 of each year, on specified performance measures, including various calculations of graduation rates, for the preceding academic year.

This bill would appropriate $35,000,000 from the General Fund to the Trustees of the California State University upon the trustees taking, by September 30, 2016, specified actions to improve the 4-year graduation rate

and the 2-year transfer graduation rate at the university, including actions to improve those graduation rates for low-income students, underrepresented minority students, and first-generation college students. To receive this appropriation, the bill would require the trustees to commit to submitting reports, at least annually, to the Director of Finance and the Legislature regarding progress in improving its 4-year graduation rates and 2-year transfer graduation rates.

The bill would require, by no later than November 30, 2016, the trustees to identify and report to the director and the Legislature state laws that impede the university from improving its 4-year graduation rates and the 2-year graduation rates.

(19) Existing law establishes the Office of Planning and Research in the Governor's Office that constitutes the comprehensive state planning agency and serves the Governor and his or her Cabinet as staff for long-range planning or research.

This bill would establish, until January 1, 2020, the California Initiative to Advance Precision Medicine in the office for the purpose of developing, implementing, awarding funding to, and evaluating demonstration projects on precision medicine in collaboration with public, nonprofit, and private entities, as specified. The bill would specify criteria that would make a project eligible to receive funds, and would require the office to develop and post on a publicly available Internet Web site guidelines regarding the application for and use of awarded funds. The bill would require the office to establish standards that require a grant to be subject to an intellectual property agreement, as specified. The bill would require the office to annually report to the Legislature to update and provide evaluations on selected demonstration projects, as specified. The bill would authorize the office to receive nonstate funds in furtherance of the initiative, and would authorize up to 30 percent of any amount appropriated to the office for precision medicine to be held by the office until an equivalent amount of nonstate matching funds is identified and received. The bill would authorize the office to use up to 10% of any amount appropriated to the office for precision medicine for administrative costs.

The bill would require the office to recruit a precision medicine expert selection committee to represent various precision medicine-related skills and would authorize the Legislature to make nominations for the selection committee to the office for consideration. The bill, except as specified, would require the selection committee to comply with the Bagley-Keene Open Meeting Act. The bill would require the selection committee to report on the award of funding as prescribed and post the report on the Internet Web site.

Existing law authorizes the Department of General Services to carry out various powers and duties relating to assisting a state agency in the management and development of intellectual property developed by state employees or with state funding.

This bill would provide that those provisions do not apply to an intellectual property agreement entered into by the initiative.

Existing law generally requires state agencies to obtain at least 3 competitive bids for each contract for services. Under existing law, this requirement does not apply under certain circumstances, including, until January 1, 2019, to a subcontract for the limited purpose of researching or developing precision medicine included in an interagency agreement that is in effect pursuant to an amount appropriated to the office under a specific budget item, including a contract between the office, the Regents of the University of California, or an auxiliary organization of the California State University.

This bill would extend that competitive bidding exemption until January 1, 2020, and expand the exemption to include such a subcontract in an interagency agreement in effect pursuant to an amount appropriated to the office for precision medicine.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(20) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 18701 of the Education Code is amended to read:

18701. The Legislature finds and declares that it is in the interest of the people of the state to ensure that all people have free and convenient access to all library resources and services that might enrich their lives, regardless of where they live or of the tax base of their local government. This finding is based on the recognition that:

(a) The public library is a primary source of information, recreation, and education to persons of all ages, any location, or any economic circumstance.

(b) The expansion of knowledge and the increasing complexity of our society creates a need for materials and information that goes beyond the ability of any one library to provide.

(c) The public libraries of California are supported primarily by local taxes. The ability of local governments to provide adequate service is dependent on the taxable wealth of each local jurisdiction and varies widely throughout the state.

(d) Public libraries are unable to bear the greater costs of meeting the exceptional needs of many residents, including people with disabilities, non-English-speaking and limited-English-speaking persons, those who are confined to home or in an institution, and those who are economically disadvantaged.

(e) The effective sharing of resources and services among the libraries of California requires an ongoing commitment by the state to promote access to information in both print and digital format.

SEC. 2. Section 18703 of the Education Code is amended to read:

18703. In adopting this chapter, the Legislature declares that its policy shall be as follows:

(a) To reaffirm the principle of local control of the government and administration of public libraries, and to affirm that the provisions of this chapter apply only to libraries authorized by their jurisdictions to apply to participate in the programs authorized by this act.

(b) To require no library, as a condition for receiving funds or services under this chapter, to acquire or exclude any specific book, periodical, film, recording, picture, or other material, or any specific equipment, or to acquire or exclude any classification of books or other material by author, subject matter, or type.

(c) To encourage the adequate financing of libraries from local sources, with state aid to be furnished to supplement, not supplant, local funds.

(d) To encourage service to the underserved of all ages.

(e) To encourage and enable the sharing of resources between libraries.

(f) To ensure public participation in carrying out the intent of this act.

SEC. 3. Section 18710 of the Education Code is amended to read:

18710. As used in this chapter, the following terms have the following meanings, unless the context otherwise indicates or unless specific exception is made:

(a) "Academic library" means a library established and maintained by a college or university to meet the needs of its students and faculty, and others by agreement.

(b) "Act" means the California Library Services Act.

(c) "Cooperative library system" means a public library system that consists of two or more jurisdictions entering into a written agreement to implement a regional program in accordance with this chapter, and that, as of the effective date of this chapter, was designated a library system under the Public Library Services Act of 1963 or was a successor to that library system.

(d) "Direct loan" means the lending of a book or other item directly to a borrower.

(e) "Equal access" means the right of the residents of jurisdictions that are members of a cooperative library system to use on an equal basis with one another the services and loan privileges of any and all other members of the same system.

(f) "Independent public library" means a public library that is not a member of a system.

(g) "Interlibrary loan" means the lending of a book or other item from one library to another as the result of a user request for the item.

(h) "Jurisdiction" means a county, city and county, city, or any district that is authorized by law to provide public library services and that operates a public library.

(i) "Libraries for institutionalized persons" means libraries maintained by institutions for the purpose of serving their resident populations.

(j) "Public library" means a library, or two or more libraries, that is operated by a single public jurisdiction and that serves its residents free of charge.

(k) "School library" means an organized collection of printed and audiovisual materials that satisfies all of the following criteria:

(1) Is administered as a unit.

(2) Is located in a designated place.

(3) Makes printed, audiovisual, and other materials as well as necessary equipment and services of a staff accessible to elementary and secondary school pupils and teachers.

(*l*) "Special library" means one maintained by an association, government service, research institution, learned society, professional association, museum, business firm, industrial enterprise, chamber of commerce, or other organized group and the greater part of their collections being in a specific field or subject, such as natural sciences, economics, engineering, law, and history.

(m) "Special Services Programs" means a project establishing or improving service to the underserved of all ages.

(n) "State board" means the California Library Services Board.

(o) "System" means a cooperative library system.

(p) "Underserved" means any population segment with exceptional service needs not adequately met by traditional library service patterns, including, but not limited to, those persons who are geographically isolated, economically disadvantaged, functionally illiterate, of non-English-speaking or limited-English-speaking ability, homebound, or institutionalized, or who are persons with disabilities.

(q) "Universal borrowing" means the extension by a public library of its direct loan privileges to the eligible borrowers of all other public libraries.

SEC. 4. Section 18724 of the Education Code is amended to read:

18724. The duties of the state board shall be to adopt rules, regulations, and general policies for the implementation of this chapter. In addition, the state board, consistent with the terms and provisions of this chapter, shall have the following powers and duties:

(a) To direct the State Librarian in the administration of this chapter.

(b) To review for its approval all annual proposals submitted under this chapter.

(c) To expend the funds appropriated for the purpose of implementing the provisions of this chapter.

(d) To require participating libraries and systems to prepare and submit any reports and information that are necessary to carry out the provisions of this chapter, and to prescribe the form and manner for providing those reports and information.

(e) To require that any public library participating in programs authorized by this chapter provide access to its bibliographic records and materials

location information consistent with the legislative policy of encouraging the sharing of resources between libraries.

SEC. 5. Section 18731 of the Education Code is amended to read:

18731. A California public library may participate in universal borrowing. A public library participating in universal borrowing shall not exclude the residents of any jurisdiction maintaining a public library.

SEC. 6. Section 18732 of the Education Code is repealed.

SEC. 7. Section 18743 of the Education Code is amended to read:

18743. Each member library of a system shall provide equal access to all residents of the area served by the system.

SEC. 8. Section 18744 of the Education Code is repealed.

SEC. 9. Section 18745 of the Education Code is amended to read:

18745. Each system shall annually apply to the state board for funds for intrasystem communications and delivery and resource sharing. Proposals shall be based upon the most cost-effective methods of exchanging print and digital materials and information among the member libraries.

SEC. 10. Section 18751 of the Education Code is repealed.

SEC. 11. Section 18765 of the Education Code is repealed.

SEC. 12. Section 18766 of the Education Code is amended to read:

18766. The state board shall establish and maintain a statewide communications and delivery and resource-sharing network between and among systems, state reference centers, independent public libraries, and all other libraries participating in the programs authorized by this act.

SEC. 13. Section 41329.60 is added to the Education Code, to read:

41329.60. Notwithstanding any other law, beginning July 1, 2016, the interest rate on any outstanding General Fund emergency apportionments made to the Compton Community College District pursuant to Section 41329.52 or 41329.58 shall be 2.307 percent. All other terms of those emergency apportionments shall remain the same.

SEC. 14. Article 2.6 (commencing with Section 66010.96) is added to Chapter 2 of Part 40 of Division 5 of Title 3 of the Education Code, to read:

Article 2.6. Awards for Innovation in Higher Education Program

66010.96. (a) This article shall be known, and may be cited, as the Awards for Innovation in Higher Education Program.

(b) The Awards for Innovation in Higher Education Program is hereby established to award funds appropriated for the program.

(c) The Committee on Awards for Innovation in Higher Education shall award funds appropriated for the program.

(d) The committee shall consist of the following members:

(1) The Director of Finance, or his or her designee, who shall serve as the chairperson of the committee.

(2) Four members appointed by the Governor.

(3) One member appointed by the Speaker of the Assembly.

(4) One member appointed by the Senate Committee on Rules.

(e) The Department of Finance shall serve as staff to the committee.

(f) Members of the committee shall serve without compensation, but the committee may reimburse members for necessary expenses incurred in the discharge of their duties.

(g) Actions taken to implement the provisions of this section by the Department of Finance, or the committee, shall not be subject to provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(h) Any contract executed to implement the provisions of this section shall not be subject to the provisions of Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code, or Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.

(i) For purposes of Section 1090 of the Government Code, members of the committee shall not be deemed to be interested in any contract, including any award of funds by the committee, pursuant to this section.

(j) The committee shall develop administrative guidelines and other requirements for purposes of administering the program.

66010.97. (a) The Committee on Awards for Innovation in Higher Education shall use funds appropriated in Item 6910-102-0001 of Section 2.00 of the Budget Act of 2016 to make awards pursuant to this section.

(b) Moneys shall be awarded for innovations that reduce the time it takes students to complete degrees and credentials or reduce the total cost of attendance for students, or both, through any of the following:

(1) Redesign of curriculum and instruction, such as implementation of three-year degrees.

(2) Programs that allow students to make progress toward completion of degrees and credentials based on demonstration of knowledge and competencies, including military training, prior learning, and prior experiences.

(3) Programs that make financial aid more accessible, including by increasing the number of students who apply for financial aid, or that reduce the costs of books and supplies.

(c) The committee shall make an award only to a community college, but the award may be for innovations that encourage or require partnership between the community college and other entities.

(d) The committee shall give preference, when making awards, to innovations that do at least one of the following:

(1) Improve the outcomes described in subdivision (b) for students from groups that are underrepresented in higher education, such as low-income students, underrepresented minority students, first-generation students, students who are current or former foster youth, students with disabilities, and students who are veterans.

(2) Use technology in ways that are not common in higher education to improve the outcomes described in subdivision (b).

SEC. 15. Section 70023 of the Education Code is amended to read:

70023. (a) For each academic year, the commission shall determine an amount sufficient, when combined with other federal, state, or institutionally administered student grants or fee waivers received by eligible students from other sources, to provide scholarships to eligible students in the amounts described in paragraphs (2) and (3) of subdivision (a) of Section 70022. The University of California and the California State University shall provide the commission with any financial aid data that are necessary for the determination of these amounts.

(b) The commission shall annually determine if the amounts appropriated under this section in each fiscal year are sufficient to cover the costs of the scholarships as projected to be awarded pursuant to the program. If those amounts are not sufficient for this purpose, the scholarships shall be reduced proportionately by an equal percentage for all recipients of scholarships under this article.

(c) The commission may adopt regulations necessary to carry out the purposes of this article under subdivision (b) as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of the Administrative Procedure Act, including Section 11349.6 of the Government Code, the adoption of those regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare, notwithstanding subdivision (e) of Section 11346.1 of the Government Code. Notwithstanding subdivision (e) of Section 11346.1 of the Government Code, any regulation adopted pursuant to this section shall not remain in effect more than 180 days unless the commission complies with all provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.

(d) The unencumbered balance, as of June 30 of each fiscal year, of the amount appropriated from the Middle Class Scholarship Fund pursuant to paragraph (1) of subdivision (e) shall revert to the General Fund.

(e) (1) Upon order of the Director of Finance, the following amounts shall be transferred from the General Fund to the Middle Class Scholarship Fund, and are hereby appropriated to the commission for allocation pursuant to this article:

(A) For the 2014–15 fiscal year, one hundred seven million dollars ($107,000,000).

(B) For the 2015–16 fiscal year, eighty-two million dollars ($82,000,000).

(C) For the 2016–17 fiscal year, seventy-four million dollars ($74,000,000).

(D) For the 2017–18 fiscal year and for each fiscal year thereafter, one hundred seventeen million dollars ($117,000,000).

(2) An annual appropriation to the commission is hereby established in the amounts and for the fiscal years described in paragraph (1) to carry out the purposes of this section and Section 70022.

(3) It is the intent of the Legislature that any savings realized from changes made to the allocations under this subdivision by a bill providing

for appropriations related to the Budget Bill for the 2015–16 fiscal year shall be used to support higher education.

(4) The funds transferred and appropriated pursuant to paragraph (1) shall only be available for encumbrance in the fiscal year in which they are transferred, and the General Fund shall have no liability or any obligation beyond the transfers explicitly authorized in paragraph (1) unless a subsequent transfer or allocation is required pursuant to statute.

(5) In any fiscal year, additional appropriations may be enacted pursuant to statute to carry out the purposes of this article.

(6) (A) Beginning with the Governor's Budget proposal for the 2014–15 fiscal year, and in the Governor's Budget for each fiscal year thereafter, the Department of Finance shall include a fund condition statement for the Middle Class Scholarship Fund for the fiscal year of the proposed budget and the two immediately preceding fiscal years prepared in accordance with existing law.

(B) Upon order of the Director of Finance and commencing with the 2013–14 fiscal year, if the May Revision projects a budget deficit for the next fiscal year, the amount specified in paragraph (1) for the fiscal year for which the budget deficit is projected may be reduced by up to 33 percent.

(f) Subject to an appropriation in the annual Budget Act for its purposes, the commission may begin implementation of, and establish outreach services relating to, this article.

SEC. 16. Article 4 (commencing with Section 78050) is added to Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code, to read:

Article 4. Zero-Textbook-Cost Degree Grant Program

78050. This act shall be known, and may be cited, as the Zero-Textbook-Cost Degree Grant Program.

78051. The Zero-Textbook-Cost Degree Grant Program is hereby established to reduce the overall cost of education for students and decrease the time it takes students to complete degree programs offered by community colleges.

78052. (a) It is the intent of the Legislature that community college districts develop and implement zero-textbook-cost degrees to reduce the overall cost of education for students and decrease the time it takes students to complete degree programs.

(b) For purposes of this section, the following terms have the following meanings:

(1) "Chancellor" means the Chancellor of the California Community Colleges.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Degree" means a zero-textbook-cost degree.

(4) "Open educational resources" means high-quality teaching, learning, and research resources that reside in the public domain or have been released

pursuant to an intellectual property license that permits their free use and repurposing by others, and may include other resources that are legally available and free of cost to students. Open educational resources include, but are not limited to, full courses, course materials, modules, textbooks, faculty-created content, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge.

(5) "Zero-textbook-cost degrees" means community college associate degrees or career technical education certificates earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies, including open educational resources. Discretionary student printing of instructional materials shall not be considered a cost as part of this program.

(c) Of the funding appropriated in the annual Budget Act to develop and implement degrees, the chancellor shall distribute grants of up to two hundred thousand dollars ($200,000) to a community college district for each degree developed and implemented within the district that contributes to the overall elimination of textbook costs for students and aligns with the conditions for receipt of funds specified in subdivision (d). The chancellor's office shall ensure that a grant does not result in the development or implementation of duplicate degrees for a subject matter to avoid duplication of effort and ensure the development and implementation of the greatest number of degrees for the benefit of the greatest number of students. The chancellor's office may distribute the grants in phases, including a planning phase and an implementation phase.

(d) As a condition of receiving funding appropriated in the annual Budget Act to develop and implement degrees, a community college district shall comply with all of the following:

(1) Develop and implement a degree from an existing associate degree or develop and implement a new or existing career technical education certificate program, that has high value in the regional market, as a zero-textbook-cost certificate program.

(2) In complying with paragraph (1), prioritize the development and implementation of a degree from an existing associate degree for transfer and, to the extent possible, prioritize the adaption of existing open educational resources through existing open educational resources initiatives, or elsewhere, before creating new content.

(3) Develop degrees with consideration for sustainability after grant funding is exhausted, including how content is updated and presented.

(4) Ensure compliance with the federal Americans with Disabilities Act (Public Law 104-197) and the federal Copyright Act of 1976 (Public Law 94-553).

(5) Develop and implement a minimum of one degree for each grant received.

(6) Develop and implement a degree that other community college districts can use or adapt, and post each degree, and the contents of the degree, on the online clearinghouse of information established pursuant to Item 6870-101-0001 of the Budget Act of 2016, or a successor Internet Web

site. All open educational resources used as learning materials for a degree developed pursuant to this section shall be added to the California Digital Open Source Library established in Section 66408. Testing and assessment materials posted online pursuant to this paragraph shall be safeguarded to maintain the integrity of those materials. This paragraph shall not be construed to prohibit faculty from providing sample test and assessment materials to students.

(7) Ensure faculty shall have flexibility to update and customize degree content as necessary within the parameters of this program.

(8) Ensure that the degree developed and implemented is clearly identified in college catalogs and in class schedules.

(9) Provide the chancellor with all planning and outcome information that the chancellor determines necessary.

(10) Consult with the local academic senate of a college that would implement a degree.

(11) Use a multimember team approach, to develop and implement a degree pursuant to this section, that includes faculty, college administrators, and other content-focused staff, including, but not limited to, librarians, instructional designers, and technology experts, from the campus that would implement the degree, other colleges of the community college system, and interested campuses of the California State University and the University of California. Grant recipients may use funds to obtain professional development and technical assistance to assist in the development of degrees.

(12) Strive to implement degrees by the first term of the 2018–19 academic year, or sooner, as determined by the chancellor's office.

(e) (1) The chancellor shall, by June 30, 2019, report to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the development and implementation of degrees, including, but not limited to:

(A) The number of degrees developed and implemented within each district disaggregated by college.

(B) The estimated annual savings to students.

(C) The number of students who completed a zero-textbook-cost degree program.

(D) Recommendations to increase, expand, or improve the offering of degrees.

(2) A report pursuant to paragraph (1) shall be submitted to the Legislature in compliance with Section 9795 of the Government Code.

(f) (1) Of the funds appropriated in the annual Budget Act for this program, up to 10 percent of the appropriation may be allocated by the chancellor's office to contract with a community college district to administer this program.

(2) The contract between the chancellor's office and the district shall reflect all of the following:

(A) The programmatic and administrative responsibilities that will be delegated to the district, including the programmatic requirements identified in subdivisions (c), (d), and (e).

(B) A requirement that the contracting district provide prebid conferences, either in person or via webinar, for interested grant applicants.

(C) Technical assistance to grant applicants and grantees.

(3) The contracting district may apply for, and receive, a grant to develop and implement a degree and have employees and administrators of the district participate as part of a multimember team approach pursuant to paragraph (11) of subdivision (d). To be eligible to receive a grant, the district shall maintain appropriate and transparent internal controls and processes to ensure that the district's contracted duties and responsibilities are clearly delineated, identified, and distinguished from the duties and responsibilities conferred upon the district as a grant applicant and recipient.

(4) Upon request of the chancellor's office, the contracted district shall provide the chancellor's office with an update on the status of the development and implementation of each degree within the district.

(5) Notwithstanding any other law, a contract between the chancellor's office and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code for the limited purpose of administering the program pursuant to this subdivision.

(g) Of the funds appropriated in the annual Budget Act for this program, funds not awarded in the 2016–17 fiscal year may be awarded in the 2017–18 fiscal year.

(h) The chancellor's office shall award an initial round of grants no later than January 1, 2017.

SEC. 17. Section 84750.6 of the Education Code is amended to read:

84750.6. (a) Notwithstanding Section 84750.5, the board of governors shall provide the San Francisco Community College District with revenues, as specified in subdivision (b), if, on the effective date of the act that adds this section, both of the following conditions are satisfied:

(1) The board of governors finds that the community college district or a campus of the community college district is in imminent jeopardy of losing its accreditation.

(2) The board of governors has exercised its authority pursuant to Section 84040 of this code and Section 58312 of Title 5 of the California Code of Regulations as that regulation read on April 15, 2014.

(b) If the number of full-time equivalent students (FTES) of the community college district decreases from the number in the 2012–13 fiscal year, the board of governors shall provide revenues to the community college district, as follows:

(1) For the 2014–15 fiscal year, an amount not less than the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(2) For the 2015–16 fiscal year, an amount not less than 95 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(3) (A) For the 2016–17 fiscal year, an amount not less than 90 percent of the total amount that the community college district would receive if the level of attendance of FTES was the same level of attendance as in the 2012–13 fiscal year.

(B) Funds shall be provided under this paragraph only if the Fiscal Crisis Management Assistance Team makes a finding no sooner than April 1, 2016, that the San Francisco Community College District is meeting or exceeding all of the following benchmarks:

(i) Effective fiscal controls and systems are in place.

(ii) The City College of San Francisco has, and is adhering to, prudent fiscal policies and practices, as corroborated by an analysis of multiyear projections of no less than three fiscal years commencing with the 2016–17 fiscal year.

(iii) The City College of San Francisco is applying resources in accordance with a budget plan approved by the special trustee.

(iv) The City College of San Francisco is maintaining appropriate fiscal reserves.

(v) The City College of San Francisco has, and is adhering to, a viable plan to address long-term liabilities including, but not necessarily limited to, "other postemployment benefits," as that term is used in accordance with generally accepted accounting principles defined by the Governmental Accounting Standards Board as of April 15, 2014.

(c) The amounts calculated in paragraphs (1) to (3), inclusive, of subdivision (b) shall be adjusted by the chancellor to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(d) Subdivision (b) shall only be used to determine the apportionment funding to be allocated to the San Francisco Community College District. In computing statewide entitlements to funding based upon the attendance of FTES, the San Francisco Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(e) Subdivision (b) shall only be operative for a fiscal year in which the San Francisco Community College District is in compliance with Section 51016 of Title 5 of the California Code of Regulations as that regulation read on April 15, 2014.

(f) It is the intent of the Legislature that any amounts necessary to make the apportionments required pursuant to subdivision (b) be drawn from the state general apportionment revenues for community college districts.

(g) (1) The Chancellor of the City College of San Francisco shall submit all of the following to the appropriate policy and fiscal committees of the Legislature, the office of the Governor, the Legislative Analyst's Office, and the Department of Finance on or before April 15, 2015:

(A) An overview of the college's current accreditation status, including a description of any identified accreditation deficiencies and activities underway to address those deficiencies.

(B) Enrollment totals for the current and prior years.

(C) Updated enrollment projections for the two subsequent fiscal years.

(D) The number of course sections offered in the current and prior fiscal years.

(E) A thorough explanation of the district's level of budgetary reserves and sources of revenue.

(F) A thorough multiyear budget plan that explains, at a minimum, both revenue sources and areas of expenditure.

(2) The Chancellor of the City College of San Francisco shall submit updates to the report submitted under paragraph (1) on or before the following dates:

(A) October 15, 2015.

(B) April 15, 2016.

(C) October 15, 2016, but only if funding is provided pursuant to paragraph (3) of subdivision (b).

(D) April 15, 2017, but only if funding is provided pursuant to paragraph (3) of subdivision (b).

(h) For five fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

SEC. 18. Section 84905 of the Education Code is amended to read:

84905. The chancellor and the Superintendent, with the advice of the executive director, shall approve, for each consortium, rules and procedures that adhere to all of the following conditions:

(a) Any community college district, school district, or county office of education, or any joint powers authority consisting of community college districts, school districts, county offices of education, or a combination of these, located within the boundaries of the adult education region shall be permitted to join the consortium as a member.

(b) As a condition of joining a consortium, a member shall commit to reporting any funds available to that member for the purposes of education and workforce services for adults and the uses of those funds.

(c) A member of the consortium shall be represented only by an official designated by the governing board of the member.

(d) (1) Decisionmaking procedures are specified that ensure that all of the following conditions are satisfied:

(A) All members of the consortium shall participate in any decision made by the consortium.

(B) A proposed decision is considered at an open, properly noticed public meeting of the consortium at which members of the public may comment.

(C) The consortium has provided the public with adequate notice of a proposed decision and considered any comments submitted by members of the public, and any comments submitted by members of the public have been distributed publicly.

(D) (i) The consortium has requested comments regarding a proposed decision from other entities located in the adult education region that provide education and workforce services for adults.

(ii) The consortium has considered and responded to any comments submitted by entities pursuant to clause (i).

(iii) For purposes of this subparagraph, entities that provide education and workforce services to adults include, but are not necessarily limited to, local public agencies, departments, and offices, particularly those with responsibility for local public safety and social services; workforce investment boards; libraries; and community-based organizations.

(E) The consortium has considered input provided by pupils, teachers employed by local educational agencies, community college faculty, principals, administrators, classified staff, and the local bargaining units of the school districts and community college districts before it makes a decision.

(F) A decision is final.

(2) For purposes of this subdivision, a decision includes approval of an adult education plan pursuant to Section 84906 and approval of a distribution schedule pursuant to Section 84913.

(e) The members of the consortium may decide to designate a member to serve as the fund administrator to receive and distribute funds from the program. If a member is chosen to be the fund administrator, the member shall commit to developing a process to apportion funds to each member of the consortium pursuant to the consortium's adult education plan within 45 days of receiving funds appropriated for the program. This process shall not require a consortium member to be funded on a reimbursement basis.

SEC. 19. Section 84917 of the Education Code is amended to read:

84917. (a) To inform actions taken by the Governor and the Legislature related to adult education, the chancellor and the Superintendent shall report to the Director of Finance, the State Board of Education, and, in conformity with Section 9795 of the Government Code, the Legislature about the use of the funds described in paragraph (5) of subdivision (b) of Section 84906 and outcomes for adults statewide and in each adult education region. The chancellor and the Superintendent shall provide preliminary reports on or before October 30 following each fiscal year for which funds are appropriated for the program and final reports on or before February 1 of the following year. Each report shall be based on all data available at the time of its submission. The report shall include at least all of the following:

(1) A summary of the adult education plan operative for each consortium.

(2) The distribution schedule for each consortium.

(3) The types and levels of services provided by each consortium.

(4) The effectiveness of each consortium in meeting the educational needs of adults in its respective region.

(5) Any recommendations related to delivery of education and workforce services for adults, including recommendations related to improved alignment of state programs.

(b) (1) The chancellor and the Superintendent may require a consortium, as a condition of receipt of an apportionment, to submit any reports or data necessary to produce the report described in subdivision (a).

(2) The chancellor and the Superintendent shall align the data used to produce the report described in subdivision (a) with data reported by local educational agencies for other purposes, such as data used for purposes of the federal Workforce Opportunity and Innovation Act (Public Law 113-128).

(3) The Employment Development Department and the California Workforce Investment Board shall provide any assistance needed to align delivery of services across state and regional workforce, education, and job service programs.

SEC. 20. Section 84920 of the Education Code is amended to read:

84920. (a) To the extent that one-time funding is made available in the Budget Act of 2015, consistent with the provisions of Section 84917, the chancellor and the Superintendent shall identify common measures for determining the effectiveness of members of each consortium in meeting the educational needs of adults. At a minimum, the chancellor and the Superintendent shall accomplish both of the following:

(1) Define the specific data each consortium shall collect.

(2) Establish a menu of common assessments and policies regarding placement of adults seeking education and workforce services into adult education programs to be used by each consortium to measure educational needs of adults and the effectiveness of providers in addressing those needs.

(b) No later than August 1, 2017, the chancellor and the Superintendent shall report to the Director of Finance, the State Board of Education, and the appropriate policy and fiscal committees of the Legislature on options for integrating the assessments described in subdivision (a) into the common assessment system developed pursuant to Section 78219. The report shall address compliance of the assessments with federal and state funding requirements for adult education programs, identify estimated costs and timelines for the assessments, and identify changes in policies that may be needed to avoid duplicate assessments.

(c) It is the intent of the Legislature that both of the following occur:

(1) That the educational needs of adults in the state be better identified and understood through better sharing of data across state agencies.

(2) That, at a minimum, the chancellor and the Superintendent shall enter into agreements to share data related to effectiveness of the consortia between their agencies and with other state agencies, including, but not necessarily limited to, the Employment Development Department and the California Workforce Investment Board.

(d) The chancellor and the Superintendent shall identify, no later than January 1, 2016, the measures for assessing the effectiveness of consortia that will be used in the report that is required pursuant to Section 84917. These measures shall include, but not necessarily be limited to, all of the following:

(1) How many adults are served by members of the consortium.

(2) How many adults served by members of the consortium have demonstrated the following:

(A) Improved literacy skills.

(B) Completion of high school diplomas or their recognized equivalents.

(C) Completion of postsecondary certificates, degrees, or training programs.

(D) Placement into jobs.

(E) Improved wages.

(e) The chancellor and the Superintendent shall apportion the funds appropriated for purposes of this section in the Budget Act of 2015 in accordance with both of the following:

(1) Eighty-five percent of these funds shall be used for grants to consortia to establish systems or obtain data necessary to submit any reports or data required pursuant to subdivision (b) of Section 84917.

(2) Fifteen percent of these funds shall be used for grants for development of statewide policies and procedures related to data collection or reporting or for technical assistance to consortia, or both.

(f) The chancellor and the Superintendent shall provide any guidance to the consortia necessary to support the sharing of data included in systems established by consortia pursuant to this section across consortia.

SEC. 21. Section 88540 of the Education Code is amended to read:

88540. This part shall become inoperative on July 1, 2017, and, as of January 1, 2018, is repealed, unless a later enacted statute that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 22. Part 54.3 (commencing with Section 88815) is added to Division 7 of Title 3 of the Education Code, to read:

PART 54.3. STUDENT SUCCESS FOR BASIC SKILLS PROGRAM

88815. (a) There is hereby established the Student Success for Basic Skills Program to be administered by the Chancellor of the California Community Colleges in accordance with subdivision (b).

(b) From funds provided in the annual Budget Act for the Student Success for Basic Skills Program, the Board of Governors of the California Community Colleges shall allocate:

(1) An amount up to 5 percent for faculty and staff development to improve curriculum, instruction, student services, and program practices in the areas of basic skills and English as a second language programs. The office of the Chancellor of the California Community Colleges shall select a community college district, utilizing a competitive process, to carry out these faculty and staff development activities. All colleges receiving funds pursuant to paragraph (2) shall be provided with the opportunity to participate in the faculty and staff development programs specified in this paragraph.

(2) (A) All other funds for grants to community college districts for improving outcomes of students who enter college needing at least one course in English as a second language or basic skills, with particular emphasis on students transitioning from high school.

(B) Funds allocated pursuant to this paragraph shall be expended for any of the following purposes:

(i) Program and curriculum planning and development, student assessment, advisement and counseling services, supplemental instruction and tutoring, articulation, instructional materials and equipment, any other purpose directly related to the enhancement of basic skills, English as a second language instruction, and related student programs.

(ii) To implement or expand upon the use or application of evidence-based practices and principles identified in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 88810.

(iii) To accelerate the adoption and utilization of lower cost, high-quality, open educational resources in English as a second language or basic skills courses.

(iv) To collaborate with high schools, and when applicable, California State University campuses, to better align remedial instruction methodologies, curriculum, and course offerings among local educational agencies, community colleges, and California State University campuses.

(v) To implement assessment and placement practices that increase the likelihood that students are appropriately placed in college-level, rather than remedial, courses.

(C) The funds allocated pursuant to this paragraph shall supplement, and not supplant, current expenditures by community college districts for matriculation and assessment services, basic skills, English as a second language instruction, and related student programs.

(D) To be eligible to receive grant funds pursuant to this paragraph, a community college district shall submit to the office of the Chancellor of the California Community Colleges an application containing a certification that the college will, within the fiscal year, (i) complete a revised assessment of its programs and activities serving basic skills and English as a second language students utilizing the assessment tool developed pursuant to paragraph (1) of Item 6870-493 of Section 2.00 of the Budget Act of 2006 (Chapters 47 and 48 of the Statutes of 2006) and (ii) submit to the office of the chancellor an action and expenditure plan for funds received under this paragraph. The grant application shall also contain the strategies a community college district will implement to improve the successful transition of students to college-level math and English courses. These improvements shall include both increasing the number of students that successfully transition to college-level mathematics and English courses as well as reducing the time it takes students to successfully transition to college-level mathematics and English courses. At a minimum, to be eligible to receive a grant, the community college district's strategy shall include an evidence-based plan for the adoption and implementation of multiple measures of assessment and placement. The office of the chancellor shall prioritize funding grant applications from community college districts that participate in the Community Colleges Basic Skills and Student Outcomes Transformation Program established by Part 54 (commencing with Section 88800), or that subsequently implement or expand upon the use or

application of evidence-based practices and principles identified in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 88810.

(E) (i) The Chancellor of the California Community Colleges shall distribute grant funds to community college districts that meet the application criteria in subparagraph (D) on the basis of the following weighted factors:

(I) The percentage of students receiving a Board of Governors fee waiver who first enrolled in a course below transfer level in English, mathematics, or English as a second language, or any combination of these, and subsequently completed a college-level course in the same subject within one year and within two years. This factor shall comprise 50 percent of the allocation formula.

(II) The percentage of students receiving a Board of Governors fee waiver. This factor shall comprise 25 percent of the formula.

(III) The percentage of basic skills full-time equivalent students in courses offered by that community college district using evidence-based practices and principles identified in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 88810. This factor shall comprise 25 percent of the formula.

(ii) The chancellor may include other factors and adjustments as he or she determines necessary to accomplish the objectives of this paragraph.

(iii) The chancellor shall annually notify and receive concurrence from the Department of Finance in consultation with the Legislative Analyst's Office prior to including additional factors and adjustments pursuant to clause (ii) and prior to apportioning these funds to community college districts.

(iv) The Director of Finance shall notify the Joint Legislative Budget Committee of his or her intent to concur with the use of additional factors and adjustments pursuant to clauses (ii) and (iii).

(v) For purposes of distributing the funds, the chancellor shall establish a minimum allocation of one hundred thousand dollars ($100,000) per college in the applying community college district.

(F) Notwithstanding subparagraph (E), commencing with the 2016–17 fiscal year, the Chancellor of the California Community Colleges shall adjust the distribution of funds pursuant to subparagraph (E) to ensure that community college districts do not receive less state aid from the Student Success for Basic Skills Program than they received from appropriations for these purposes in the 2015–16 fiscal year.

(G) As a condition of participating in this program, commencing with the 2017–18 fiscal year, the office of the Chancellor of the California Community Colleges shall strongly encourage the five community college districts with the lowest calculated percentages as specified in subclause (I) of clause (i) of subparagraph (E) that participated in this program to apply for a technical assistance team to improve the likelihood that a student is able to expeditiously transition from a basic skills course to a college-level course at that community college district.

(c) (1) The office of the Chancellor of the California Community Colleges shall consult with the Department of Finance and the Legislative Analyst's Office to develop and recommend annual accountability measures

for the program. It is the intent of the Legislature that annual performance accountability measures for the program utilize, to the extent possible, data available as part of the accountability system developed pursuant to Section 84754.5.

(2) On or before March 15, 2020, the office of the Chancellor of the California Community Colleges, in consultation with the Department of Finance and Legislative Analyst's Office, shall report on the effectiveness of the factors used to allocate funding under this program in improving outcomes for students requiring remediation.

(d) This part shall become operative July 1, 2017.

SEC. 23. Part 54.5 (commencing with Section 88820) is added to Division 7 of Title 3 of the Education Code, to read:

PART 54.5. STRONG WORKFORCE PROGRAM

88820. This part shall be known, and may be cited, as the Strong Workforce Program.

88821. (a) The Legislature finds and declares all of the following:

(1) California's economic competitiveness is fueled, in part, by the strength of its regional economies and its skilled workforce.

(2) Upward social and economic mobility helps keep the state's economy diversified and vibrant.

(3) The attainment of industry-valued "middle skill credentials" serves as a gateway for a large and diverse number of careers in the state's economy.

(4) California's local educational agencies, community college districts, interested public four-year universities, local workforce development boards, economic development and industry leaders, and local civic representatives should collaboratively work together to inform the offerings of courses, programs, pathways, and workforce development opportunities that enable students to access the current and future job market and further social and economic mobility.

(b) The Strong Workforce Program is hereby established for the purpose of expanding the availability of quality community college career technical education and workforce development courses, programs, pathways, credentials, certificates, and degrees.

(c) To facilitate program coordination and alignment with other workforce training, education, and employment services in the state, the Strong Workforce Program shall operate in a manner that complies with the California Strategic Workforce Development Plan, required pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128), and expand upon existing consortia infrastructure.

(d) To avoid duplication of effort, activities funded under the Strong Workforce Program shall be informed by, aligned with, and expand upon the activities of existing workforce and education regional partnerships, including those partnership activities that pertain to regional planning efforts

established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128), adult education block grant consortia, and K-12 career technical education programs.

(e) All of the following guiding principles shall apply to each consortium participating in the Strong Workforce Program:

(1) A community college district participating in the consortium shall ensure that its community college career technical education and workforce development courses, credentials, certificates, degrees, programs, and pathway offerings are responsive to the needs of employers, workers, civic leaders, and students.

(2) The consortium shall collaborate with other public institutions, including, but not limited to, local educational agencies, adult education consortia, local workforce development boards, and interested California State University and University of California institutions.

(3) The consortium shall collaborate with civic representatives, representatives from the labor community, and economic development and industry sector leaders within the region.

(4) The consortium shall include collaborating entities and persons identified in this subdivision in planning meetings, provide them with adequate notice of the consortium's proposed decisions, and solicit, consider, and respond to comments from them regarding the consortium's proposed decisions.

(5) Collaborative efforts shall focus upon evidence-based decisionmaking and student success with workforce outcomes aligned with the performance accountability measures of the federal Workforce Innovation and Opportunity Act (Public Law 113-128), and closing labor market and employment gaps. Each consortium shall strive to align programmatic offerings in the most effective and efficient manner to avoid duplication of effort and streamline access to services, and education and training opportunities.

(6) Community college districts and other entities participating in a consortium are encouraged to develop long-term partnerships with private sector employers and labor partners to provide coordinated courses, programs, and pathways with employer involvement in the assessment, planning, and development of community college career technical education courses, programs, and pathways. To the extent practicable, employer partnerships should build upon regional partnerships formed pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) and other state or federal programs.

(7) Community college districts and other entities participating in a consortium are encouraged to develop and work closely with public and private organizations that offer workforce development programs and pathways to young adults with autism and other developmental disabilities to provide a comprehensive approach to address workforce readiness and employment.

(f) The chancellor's office shall, in consultation with the California Workforce Development Board, the Academic Senate for California

Community Colleges, and its partners formed pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128), as applicable, develop and implement policies and guidance necessary to implement the Strong Workforce Program, including policies and guidance necessary for consortia, including community college districts and their regional partners, to increase the number of aligned middle skill and career technical education courses, programs, pathways, credentials, certificates, and degrees. No later than June 30, 2017, the chancellor's office shall develop and implement policies and guidance pursuant to this subdivision and bring before the Board of Governors of the California Community Colleges any policies, regulations, and guidance necessary to accomplish all of the following:

(1) Facilitate the development, implementation, and sharing of career technical education effective practices, curriculum models and courses, and community college credentials, certificates, degrees, and programs across regions and among community college districts.

(2) Enable community college districts to develop career technical education and workforce outcomes, and applicable associate degrees and certificates as appropriate.

(3) Provide accessible performance and labor market data that can be used flexibly by participating community college districts and their regional partners to support the implementation of the Strong Workforce Program and related efforts to align regional workforce and education programming with regional labor market needs.

(4) Encourage local efficiency through coordinated and collaborative regional workforce efforts in which community college districts are partners.

(5) Support curriculum processes to ensure that students are able to efficiently transfer college-level career technical education credits across community college districts and to the California State University and the University of California.

(6) Improve sector-based engagement with employers within a region.

(7) Provide, in partnership with employers, work-based learning opportunities for students that increase their employability and earning potential.

(8) Enable community college districts to facilitate and optimize their resources to support the Strong Workforce Program and other related regional workforce development efforts.

(9) Ensure that community college district Strong Workforce Program expenditures are focused on improving student success with workforce outcomes for all students enrolled in community college career technical education courses, programs, and pathways.

(10) (A) Notwithstanding the June, 30, 2017, implementation date specified in this subdivision, develop and implement a plan to streamline the course and curriculum approval process, both at the state and local levels. The plan shall reflect an expedited state approval process for career technical education courses, programs, and certificates, and may include the

elimination of an existing state course and program approval process. The plan shall reflect one of the following two options:

(i) A process of course and curriculum approval that enables community college districts to develop a course or program within one academic year and to offer that course or program the subsequent academic year.

(ii) A process of course and curriculum approval that enables community college districts to develop a course or program within one academic semester and to offer that course or program the subsequent academic semester.

(B) The plan described in subparagraph (A) shall also reflect the creation of a process that enables career technical education courses and programs to be portable among community college districts. This process shall enable a community college district to adapt, adopt, or adapt and adopt another community college district's approved career technical education courses, programs, and curriculum within one academic semester and to offer that course or program, or utilize that curriculum, the subsequent academic semester.

(C) The chancellor's office shall consult with the Legislature and the Governor prior to implementing the plan. The plan shall be developed no later than July 1, 2017, and implemented no later than January 1, 2018.

(11) Eliminate barriers to hiring qualified instructors for career technical education courses, including reevaluating the required minimum qualifications for career technical education instructors.

(g) After June 30, 2017, and only as necessary, the chancellor's office may develop and implement revised polices and guidance and bring regulations before the Board of Governors of the California Community Colleges as necessary for a community college district and its regional partners to accomplish both of the following:

(1) Implement and expand the amount of aligned middle skill and career technical education credentials, certificates, degrees, courses, programs, and pathways in accordance with paragraphs (1) to (11), inclusive, of subdivision (f).

(2) Implement the recommendations of the Strong Workforce Task Force.

(h) (1) For purposes of this section, the chancellor's office shall consider input provided by relevant stakeholders, including the Academic Senate of the California Community Colleges and the California Workforce Development Board, prior to implementing revised guidance, policies, or regulatory changes.

(2) For purposes of this article and in compliance with the consultation requirements in Sections 70901 and 70902, the Academic Senate of the California Community Colleges shall establish a career technical education subcommittee to provide recommendations on career technical education issues. No less than 70 percent of the subcommittee shall consist of career technical education faculty. The subcommittee's charter shall require it to provide assistance to community college districts to ensure that career technical education and its instruction is responsive and aligned to current

and emergent industry trends, and ensure that similar courses, programs, and degrees are portable among community college districts.

88822. For purposes of this part, the following terms have the following meanings:

(a) "Career pathways" means an identified series of positions, work experiences, or educational benchmarks or credentials that offer occupational and financial advancement within a specified career field or related fields over time.

(b) "Career technical education credential" means a workforce certificate, degree, or industry-recognized credential.

(c) "Career Technical Education Regional Consortium," or "consortium," means an administrative grouping of community college districts by the Division of Workforce and Economic Development of the chancellor's office for the purpose of coordination and joint planning within regions, as defined in subdivision (i).

(d) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(e) "Industry" or "industry sectors" means trade associations or those firms that produce similar products or provide similar services using somewhat similar business processes.

(f) "Middle skill credential" means a certificate, associate's degree, or industry-recognized credential that is less than a bachelor's degree but more than a high school diploma and facilitates student success with workforce outcomes.

(g) "Plan" means the regional plan established under this part.

(h) "Program" means the Strong Workforce Program established under this part.

(i) "Region" means a geographic area of the state defined by economic and labor market factors containing at least one industry cluster and the cities, counties, or community college districts, or all of them, in the industry cluster's geographic area. To the extent possible, for the purposes of this part, collaborative regions should align with federal Workforce Innovation and Opportunity Act (Public Law 113-128) regional planning unit boundaries specified in the California Strategic Workforce and Development Plan and expand upon existing consortium infrastructure established by the chancellor's office.

(j) "Strong Workforce Task Force" means the Task Force on Workforce, Job Creation and a Strong Economy commissioned by the Board of Governors of the California Community Colleges.

88823. (a) Commencing July 1, 2017, as a condition of receipt of funds from this program for a fiscal year, each consortium, in consultation with collaborating entities identified in paragraph (2) of subdivision (e) of Section 88821, shall submit a plan to the chancellor's office that has been updated for that fiscal year.

(b) The plan pursuant to subdivision (a) shall include all of the following requirements:

(1) The names of the community college districts participating in the consortium, including the name of the community college identified as the consortium's fiscal agent, and the names of entities collaborating pursuant to paragraph (2) of subdivision (e) of Section 88821.

(2) The governance model for the consortium. Decisions governing, or relating to, the distribution of fiscal resources shall be determined exclusively by the community college districts participating in the consortium.

(3) An analysis of regional labor market needs informed by a federal Workforce Innovation and Opportunity Act (Public Law 113-128) economic analysis and other sources as applicable. This analysis shall also include wage data for each industry sector or labor market need identified.

(4) An inventory of regionally prioritized and locally prioritized projects and programs that close relevant labor market and employment gaps.

(5) Measurable regional goals that align with the performance accountability measures of the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(6) For regionally prioritized projects and programs, a work plan, spending plan, and budget. The work plan, spending plan, and budget shall identify the amount of funding allocated for one-time and ongoing expenditures.

(7) A description of the alignment of work plans, spending plans, and other education and workforce plans guiding services in the region, including plans pertaining to the building of career pathways and the employment of workforce sector strategies and those plans required pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(c) Each consortium shall submit a plan by January 31 once every four years and shall annually update the plan by January 31 of each year until the next new plan is submitted.

(d) The chancellor's office shall review the plans on a four-year cycle and ensure that annual updates are made by each consortium. The chancellor's office shall determine if each consortium has made significant progress in meeting the goals and measures outlined in its plan, and provide technical assistance to a consortium that has not met its goals. The chancellor's office is encouraged to provide technical assistance pursuant to this subdivision through the Institutional Effectiveness Partnership Initiative.

(e) To avoid duplication of effort, plans developed pursuant to this section shall be informed by, aligned with, and expand upon regional plans and planning efforts established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(f) Community college districts participating in a consortium shall utilize their region's plan to inform local campus planning efforts to implement career technical education courses, programs, and pathways and integrate available local, regional, state, and nonpublic resources to ensure that students will achieve successful workforce outcomes.

(g) Community college districts shall meet with the members of their consortium not less than annually to inform on the delivery of career

technical education and workforce development courses, programs, and pathways within the region.

(h) Each region's plan shall be for the primary purpose of informing the development of strategies related to career technical education and workforce development courses, programs, and pathways. Each region's plan shall reflect strategies to efficiently and effectively utilize any available public and private resources, including funds for the Career Technical Education Pathways Program established in Part 52 (commencing with Section 88530), in a manner that better aligns career technical education courses, programs, and pathways with the needs of their regional economies.

(i) It is the intent of the Legislature to align community college career technical education programs within the Strong Workforce Program. Staff from the chancellor's office, the Legislative Analyst's Office, and the Department of Finance are requested to investigate the potential consolidation of community college career technical education programs within the Strong Workforce Program.

88824. (a) This section only applies for the 2016–17 fiscal year.

(b) To promote the success of community college students and the career technical education programs that serve them, up to 5 percent of the funds appropriated for the program in the annual Budget Act may be allocated by the Board of Governors of the California Community Colleges to a community college district for statewide activities to improve and administer the program, including the facilitation of system, program, and data alignment at the state and regional levels. The chancellor's office shall consult with the California Workforce Development Board and other appropriate state agencies on the development of all statewide activities that would be implemented by the selected district to facilitate broader workforce and education system alignment. Statewide coordination activities funded out of this allocation may include, but are not limited to, the following activities:

(1) State-level coordination for the development of labor market analyses pertaining to economic and industry trends and jobs projections for the purpose of supporting common regional planning efforts and the alignment of career technical education program offerings with regional labor market dynamics.

(2) Research, evaluation, and technical assistance on the use of effective local and regional policies, best practices, and model partnerships.

(3) Development and prototyping of innovative policies, practices, and coordinated services with local workforce and education partners.

(4) Participation of community college districts in existing regional coalitions and planning efforts.

(5) Cross-training local program staff.

(6) Development and maintenance of a state-level cross-system data reporting mechanism with partners formed pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) for the purpose of monitoring workforce program outcomes and performance accountability.

(7) Leveraging allocated funds with state and local partners through interagency agreements, memorandums of understanding, or other appropriate mechanisms.

(c) (1) The chancellor's office shall provide to the Department of Finance and the Legislative Analyst's Office its recommendations for the allocation of funds available for each consortium no later than August 30, 2016. The department shall approve the allocation plan before the release of funding. Each consortium, in consultation with local colleges, community college districts, and the chancellor's office, shall select a community college to be a fiscal agent that shall directly receive funds apportioned for the consortium in accordance with this section. The chancellor's office shall determine, for purposes of allocating funds for the consortium and its community college districts, the local unemployment rate, the region's proportion of career technical education full-time equivalent students, and proportion of projected job openings. Each of these three factors shall comprise one-third of the allocation formula. Funds may be used for regionally prioritized projects and programs and locally prioritized projects and programs that meet regional needs for career technical education and workforce development courses, programs, pathways, credentials, certificates, and degrees.

(2) Forty percent of the funds apportioned for the program shall be provided directly to the fiscal agent of the consortium for the purpose of funding regionally prioritized projects and programs that meet the needs of local and regional economies, as identified in regional plans and Workforce Innovation and Opportunity Act (Public Law 113-128) regional plans.

(3) Sixty percent of the funds apportioned for the program shall be provided directly to community college districts in the consortium. Funds apportioned directly to a community college district shall be expended for the purpose of funding regionally prioritized projects and programs within the community college district that meet the needs of local and regional economies, as identified in regional plans and Workforce Innovation and Opportunity Act (Public Law 113-128) regional plans. As a condition of receiving direct funding, each community college district shall actively participate in its consortium.

(d) As a condition of receipt of funds pursuant to subdivision (c), a community college district shall comply with all of the following requirements:

(1) Be a member of a consortium.

(2) Participate in regional planning efforts established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) and other efforts to align workforce, employment, and education services.

(3) Work with other members of the consortium to create and submit a plan to the chancellor by January 31, 2017, for inclusion in the submissions of regional plans for purposes of the program and the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(4) Provide accessible performance and labor-market data that can be used by community college districts and their regional partners to support the implementation of the program and describe related efforts to align

regional workforce and education programming with regional labor market needs, including, but not limited to, regional planning efforts established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(5) Certify that the use of funds will meet the intent of the program to accomplish all of the following:

(A) Increase the number of students in quality career technical education courses, programs, and pathways that will achieve successful workforce outcomes.

(B) Increase the number of quality career technical education courses, programs, and pathways that lead to successful workforce outcomes, or invest in new or emerging career technical education courses, programs, and pathways that may become operative in subsequent years and are likely to lead to successful workforce outcomes.

(C) Address recommendations from the Strong Workforce Task Force, including the recommended provision of student services related to career exploration, job readiness and job placement, and work-based learning.

(e) Funds appropriated to community college districts for the program shall supplement, not supplant, existing funding of community college career technical education programs. This subdivision shall not be interpreted to mean that a participating community college district is prohibited from eliminating or altering existing programs, but the percentage of that community college district's total full-time equivalent students enrolled in career technical education courses relative to the total full-time equivalent students enrolled in the district shall not be reduced from the percentage computed for the 2015–16 fiscal year.

(f) A consortium shall allocate funds only to community college districts.

88825. (a) This section applies commencing with the 2017–18 fiscal year.

(b) To promote the success of community college students and the career technical education programs that serve them, up to 5 percent of the funds appropriated for the program may be allocated by the Board of Governors of the California Community Colleges to a community college district for statewide activities to improve and administer the program, including the facilitation of system, program, and data alignment at the state and regional levels and the implementation of the 25 recommendations presented to the board of governors on January 19 and 20, 2016, by the Strong Workforce Task Force. The chancellor's office shall consult with the California Workforce Development Board and other appropriate state agencies on the development of all statewide activities that would be implemented by the selected district to facilitate broader workforce and education system alignment. Statewide coordination activities funded out of this allocation may include, but are not limited to, the following activities:

(1) State-level coordination for the development of labor market analyses pertaining to economic and industry trends and jobs projections for the purpose of supporting common regional planning efforts and the alignment

of career technical education program offerings with regional labor market dynamics.

(2) Research, evaluation, and technical assistance on the use of effective local and regional policies, best practices, and model partnerships.

(3) Development and prototyping of innovative policies, practices, and coordinated services with local workforce and education partners.

(4) Participation of community college districts in existing regional coalitions and planning efforts.

(5) Cross-training local program staff.

(6) Development and maintenance of a state-level cross-system data reporting mechanism with partners formed pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) for the purpose of monitoring workforce program outcomes and performance accountability.

(7) Leveraging allocated funds with state and local partners through interagency agreements, memorandums of understanding, or other appropriate mechanisms.

(c) (1) Forty percent of the funds apportioned for the program shall be apportioned directly to the fiscal agent of the consortium for the purpose of funding regionally prioritized projects and programs that meet the needs of local and regional economies, as identified in regional plans and Workforce Innovation and Opportunity Act (Public Law 113-128) regional plans.

(2) Sixty percent of the funds apportioned for the program shall be apportioned directly to community college districts in the consortium. Funds apportioned directly to a community college district shall be expended for the purpose of funding regionally prioritized projects and programs within the community college district that meet the needs of local and regional economies, as identified in regional plans and Workforce Innovation and Opportunity Act (Public Law 113-128) regional plans. As a condition of receiving direct funding, each community college district shall actively participate in its consortium.

(d) The allocation of funds to a consortium shall be based on a schedule determined by the chancellor's office and is effective for the four years of each plan cycle. Within the four-year plan cycle, this schedule may be altered to reflect changes in the statewide allocation for the program as appropriated in the annual Budget Act.

(e) The chancellor's office shall provide to the Department of Finance and the Legislative Analyst's Office its recommendations for the allocation of funds available for each consortium no later than August 30 of each year. The department shall approve the allocation plan before the release of funding.

(f) (1) For each four-year plan cycle, the chancellor's office shall determine the amount of funds to be allocated to each consortium based on the following weighted factors in each region:

(A) The unemployment rate. This factor shall comprise 33 percent of the allocation formula.

(B) The proportion of career technical education full-time equivalent students. This factor shall comprise 33 percent of the allocation formula.

(C) The proportion of projected job openings. This factor shall comprise 17 percent of the allocation formula.

(D) The proportion of successful workforce outcomes as evidenced by the performance accountability measures of the federal Workforce Innovation and Opportunity Act (Public Law 113-128). This factor shall comprise 17 percent of the allocation formula.

(2) For each four-year plan cycle, the chancellor's office shall determine the amount of funds to be allocated directly to each community college district within a consortium based on the weighted factors, specified in subparagraphs (A) to (D), inclusive, of paragraph (1), in each district within the region.

(g) A consortium shall allocate funds in accordance with its plan and only to community college districts. Decisions governing, or relating to, the distribution of the consortium's fiscal resources shall be determined exclusively by the community college districts participating in the consortium.

(h) As a condition of receipt of funds under this section, a participating community college district shall comply with all of the following:

(1) Be a member of a consortium.

(2) Participate in regional planning efforts formed pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128) and other efforts that align workforce, employment, and education services.

(3) Work with other consortium members to create and submit a plan to the chancellor's office by January 31 of every fourth year of a four-year plan cycle.

(4) Provide accessible performance and labor market data that can be used by community college districts and their regional partners to support the implementation of the program and any related efforts to align regional workforce and education programming with regional labor market needs, including, but not limited to, regional planning efforts established pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

(5) Include interested public universities in regional planning.

(6) Certify that the use of funds will meet the intent of the program to accomplish all of the following:

(A) Increase the number of students in quality career technical education courses, programs, and pathways that will achieve successful workforce outcomes.

(B) Increase the number of quality career technical education courses, programs, and pathways that lead to successful workforce outcomes, or invest in new or emerging career technical education courses, programs, and pathways that may become operative in subsequent years and are likely to lead to successful workforce outcomes.

(C) Address recommendations from the Strong Workforce Task Force, including the recommended provision of student services related to career exploration, job readiness and job placement, and work-based learning.

(i) Funds appropriated to community college districts for the program shall supplement, not supplant, existing funding of community college career technical education programs. This subdivision shall not be interpreted to mean that a participating community college district is prohibited from eliminating or altering existing programs, but the percentage of that community college district's total full-time equivalent students enrolled in career technical education courses relative to the total full-time equivalent students enrolled in the district shall not be reduced from the percentage computed for the 2015–16 fiscal year.

(j) Programs, courses, or instructional materials developed using funding from the program may be made available to all community college districts, as appropriate, through the online clearinghouse of information created as part of the Institutional Effectiveness Partnership Initiative.

88826. (a) The chancellor's office shall implement performance accountability outcome measures for the program that provide the Governor, the Legislature, and the general public with information that quantifies employer and student outcomes for those participating in the program. These performance accountability measures shall, to the extent possible, align with the performance accountability measures of the federal Workforce Innovation and Opportunity Act (Public Law 113-128). Outcome measures shall include, to the extent possible, demographic data, to allow policymakers and the general public to evaluate progress in closing equity gaps in program access and completion, and earnings of underserved demographic groups.

(b) The chancellor's office shall post on its Internet Web site, for ease of access, all regional plans and their subsequent progress plans, and solicit feedback from each consortium on recommendations they have for overall program improvement.

(c) (1) Commencing in 2018, the chancellor's office shall submit a report on the program to the Governor and the Legislature on or before the January 1 immediately subsequent to the fiscal year which the report addresses. This report shall include, but is not limited to, all of the following:

(A) Data summarizing outcome accountability performance measures collected by the chancellor's office pursuant to subdivision (a).

(B) A summary of recommendations for program improvement collected by the chancellor's office pursuant to subdivision (b).

(C) Recommendations for future allocations to consortiums based upon program outcomes, including, at a minimum, the number of certificates granted to, and wage increases of, students who have completed a career technical education program.

(2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 24. Section 89290 of the Education Code is amended to read:

89290. (a) The California State University shall report biennially to the Legislature and the Department of Finance, on or before October 1, 2014, and on or before October 1 of each even-numbered year thereafter, on the total costs of education at the California State University.

(b) The report prepared under this section shall identify the costs of undergraduate education, graduate academic education, graduate professional education, and research activities. All four categories listed in this subdivision shall be reported in total and disaggregated separately by health sciences disciplines, disciplines included in paragraph (16) of subdivision (b) of Section 89295, and all other disciplines. The university shall also separately report on the cost of education for postbaccalaureate teacher education programs. For purposes of this report, research for which a student earns credit toward his or her degree program shall be identified as undergraduate education or graduate education, as appropriate.

(c) The costs shall also be reported by fund source, including all of the following:

(1) State General Fund.

(2) Systemwide tuition and fees.

(3) Nonresident tuition and fees and other student fees.

(d) For any report submitted under this section before January 1, 2017, the costs shall, at a minimum, be reported on a systemwide basis. For any report submitted under this section on or after January 1, 2017, the costs shall be reported on both a systemwide and campus-by-campus basis.

(e) A report prepared under this section on or after January 1, 2017, shall include information on costs, disaggregated by campus, based on the methodology developed by the National Association of College and University Business Officers in its February 2002 report, Explaining College Costs, and other methodologies determined by the university.

(f) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(g) Pursuant to Section 10231.5 of the Government Code, the requirement for submitting a report under this section shall be inoperative on January 1, 2021, pursuant to Section 10231.5 of the Government Code.

SEC. 25. Section 92670 of the Education Code is amended to read:

92670. (a) The University of California shall report biennially to the Legislature and the Department of Finance, on or before October 1, 2014, and on or before October 1 of each even-numbered year thereafter, on the total costs of education at the University of California.

(b) The report shall identify the costs of undergraduate education, graduate academic education, graduate professional education, and research activities. All four categories listed in this subdivision shall be reported in total and disaggregated separately by health sciences disciplines, disciplines included in paragraph (13) of subdivision (b) of Section 92675, and all other disciplines. For purposes of this report, research for which a student earns credit toward his or her degree program shall be identified as undergraduate education or graduate education.

(c) The costs shall also be reported by fund source, including all of the following:

(1) State General Fund.

(2) Systemwide tuition and fees.

(3) Nonresident tuition and fees and other student fees.

(4) University of California General Funds, including interest on General Fund balances and the portion of indirect cost recovery and patent royalty income used for core educational purposes.

(d) For any report submitted under this section before January 1, 2017, the costs shall, at a minimum, be reported on a systemwide basis. For any report submitted under this section on or after January 1, 2017, the costs shall be reported on both a systemwide and campus-by-campus basis.

(e) A report prepared under this section on or after January 1, 2017, shall include information on costs, disaggregated by campus, based on the methodology developed by the National Association of College and University Business Officers in its February 2002 report, Explaining College Costs, and other methodologies determined by the university.

(f) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(g) Pursuant to Section 10231.5 of the Government Code, the requirement for submitting a report under this section shall be inoperative on January 1, 2021, pursuant to Section 10231.5 of the Government Code.

SEC. 26. Article 7.8 (commencing with Section 92680) is added to Chapter 6 of Part 57 of Division 9 of Title 3 of the Education Code, to read:

Article 7.8. Admission of California Resident Students

92680. (a) It is the intent of the Legislature that pupils who are enrolled in schools identified by the Superintendent of Public Instruction pursuant to subdivision (g) of Section 41580 receive additional support to increase the number of these pupils who are admitted to, and enroll at, the University of California and who successfully complete an undergraduate degree within four academic years of freshman admission.

(b) The University of California shall approve a plan, including a timeline, to do all of the following:

(1) Identify, in the files for each applicant for freshman admission, whether the applicant is enrolled in a school identified on the list developed by the Superintendent pursuant to subdivision (g) of Section 41580.

(2) (A) Provide direction to each campus regarding supplemental consideration in the admission process for pupils who are enrolled in schools identified pursuant to subdivision (g) of Section 41580 that comply with university policy.

(B) For the purposes of this paragraph, all pupils enrolled in schools identified pursuant to subdivision (g) of Section 41580 shall meet the same admission requirements as pupils who are enrolled in high schools not identified pursuant to subdivision (g) of Section 41580.

(3) Increase, at each campus and in each academic year, beginning in the 2016–17 academic year, the number of California resident freshmen admits, including students meeting the requirements of Section 68130.5, who are enrolled at a school identified by the Superintendent pursuant to subdivision (g) of Section 41580. It is the intent of the Legislature that the

University of California examine its practices to encourage more pupils who are enrolled at schools identified by the Superintendent pursuant to subdivision (g) of Section 41580 and who are admitted to the university to enroll at the university.

(4) Expand services and resources to be provided specifically for students who entered as freshmen and who were previously enrolled in a school identified by the Superintendent pursuant to subdivision (g) of Section 41580.

(c) No later than December 15, 2016, the university shall submit to the Director of Finance and the Legislature an evaluation of the costs and benefits of providing application fee waivers to applicants who are enrolled in schools identified by the Superintendent pursuant to subdivision (g) of Section 41580.

(d) Commencing in 2017, no later than November 30 of each year, the university shall report to the Director of Finance and to the Legislature the number of pupils who attended a school identified by the Superintendent pursuant to subdivision (g) of Section 41580 and were admitted to the university, and the number of those students who enrolled, disaggregated by campus.

(e) This section is operative if funds are appropriated in the Budget Act of 2016 to the University of California.

SEC. 27. Section 99206 of the Education Code is repealed.

SEC. 28. Section 13988.4 of the Government Code is amended to read:

13988.4. (a) This chapter shall not apply to intellectual property or intellectual property related agreements administered by the Regents of the University of California, the subcontractors of the Regents of the University of California, and the Trustees of the California State University. This chapter shall apply to a funding agreement from a state agency for the performance of research, and these funding agreements shall be subject to the model contract provisions developed pursuant to Chapter 14.27 (commencing with Section 67325) of Part 40 of Division 5 of Title 3 of the Education Code.

(b) This chapter shall not apply to intellectual property agreements governed by the California Stem Cell Research and Cures Bond Act (Chapter 3 (commencing with Section 125290.10) of Part 5 of Division 106 of the Health and Safety Code).

(c) This chapter shall not apply to an intellectual property agreement entered into by the California Initiative to Advance Precision Medicine pursuant to subdivision (f) of Section 65057.

SEC. 29. Article 6 (commencing with Section 65055) is added to Chapter 1.5 of Division 1 of Title 7 of the Government Code, to read:

Article 6. California Initiative to Advance Precision Medicine

65055. The Legislature finds and declares all of the following:

(a) Over the past three decades, the United States has been a leader in biological research and medicine that describes fundamental biological structures and processes in unprecedented detail and that has led to breakthroughs in therapies and treatments. Advances in information technology and computing have also furthered our ability to gather important data to better understand disease functions. However, we are now at a point where our capacity to collect information has outpaced our capacity to integrate and analyze it and to convert data to new knowledge.

(b) According to a 2011 report from the National Academy of Sciences, entitled "Toward Precision Medicine: Building a Knowledge Network for Biomedical Research and a New Taxonomy of Disease," the aggregation, integration, and analysis of data from research, clinical, personal, and population health settings are critical to creating a new knowledge network that will enable us to deliver more precise medicine, whether by targeting existing therapies more safely and effectively to patients, or by developing new therapies based on new insights into disease. Precision medicine, which embodies efforts to create this new knowledge network through data infrastructure, technology tools, and diagnostics, holds promise to transform health, health care, and biomedical research.

(c) California, with its vast scientific, medical, and technological resources, is positioned to lead advances in the field of precision medicine, which is gaining both national and international prominence. By establishing a California Initiative to Advance Precision Medicine, the state can help coordinate public, private, and nonprofit partners to advance this important intersection between science, research, and medicine, and to foster the creation of new technologies and therapies that can improve the health of Californians. A California Initiative to Advance Precision Medicine will bring together state precision medicine leaders as well as complete projects that demonstrate the power and application of precision medicine to the people of the State of California.

65056. As used in this article, "California Initiative to Advance Precision Medicine" or "initiative" means the California Initiative to Advance Precision Medicine established in Section 65057.

65057. (a) The California Initiative to Advance Precision Medicine is hereby established in the office. In establishing the initiative, the office shall incorporate agreements and partnerships regarding precision medicine entered into by the office prior to January 1, 2016.

(b) (1) The office shall develop, implement, and evaluate demonstration projects on precision medicine in collaboration with public, nonprofit, and private entities. A demonstration project may focus on one or more disease areas, and an award of funds under any appropriation of funds to the office for precision medicine shall be based on criteria that include, but are not limited to, the following:

(A) The potential for tangible benefit to patients within two to five years, including the likelihood that the study will have an immediate impact on patients.

(B) The depth and breadth of data available in the disease focus areas across institutions.

(C) The prospects for efficient and effective data integration and analysis.

(D) The expertise of potential team members.

(E) The resources available for the project outside of the initiative, including the potential for leveraging nonstate funding.

(F) The clinical and commercial potential of the project.

(G) The potential to reduce health disparities.

(H) The potential to scale and leverage multiple electronic health records systems.

(I) The potential to develop the use of tools, measurements, and data, including publicly generated and available data.

(2) A demonstration project that is selected by the office shall advance greater understanding in at least one of the following areas, or in another area that is determined by the office to be necessary to advance precision medicine:

(A) The application of precision medicine to specific disease areas.

(B) The challenges of system interoperability.

(C) Economic analysis.

(D) Standards for sharing data or protocols across institutions.

(E) The federal and state regulatory environment.

(F) The clinical environment.

(G) Challenges relating to data, tools, and infrastructure.

(H) The protection of privacy and personal health information.

(I) The potential for reducing health disparities.

(J) Methods and protocols for patient engagement.

(3) The office shall develop concrete metrics and goals for demonstration projects, monitor their progress, and comprehensively evaluate projects upon completion.

(4) (A) On or before January 1, 2017, and annually thereafter, the office shall submit a report to the Legislature that provides an update of the demonstration projects selected. Upon completion of a demonstration project, the office shall submit an evaluation of the demonstration project to the Legislature. A demonstration project is deemed complete when it has completed the agreed upon tasks and deliverables, and the project funding has been completed.

(B) A written report made pursuant to subparagraph (A) shall be made in compliance with Section 9795.

(c) The office shall develop an inventory of precision medicine assets, including projects, data sets, and experts. In developing the inventory, the office shall assemble knowledge across broad disease areas. The office shall use the inventory to inform strategic areas for the future development of precision medicine-related projects.

(d) The office may enter into agreements with public entities, or with nonprofit or not-for-profit organizations for the purpose of jointly administering the programs established under the initiative or to administer any provision of this section.

(e) The office shall create and post on a publicly available Internet Web site guidelines for an award of funds made under any appropriation of funds to the office for precision medicine. The guidelines shall include, but are not limited to, the following:

(A) Eligibility requirements.

(B) A competitive, merit-based application process that allows public and private academic and nonprofit institutions to submit proposals as principal investigators.

(C) A comprehensive peer-reviewed selection process.

(D) Requirements regarding the use of awarded funds.

(E) Requirements regarding the use and sharing of research data and findings.

(F) Requirements for the protection of privacy and personal health information.

(f) The office shall solicit public, nonprofit, and private sector input for any additional guidelines for an award of funds made pursuant to this section.

(g) The office shall establish standards that require a grant to be subject to an intellectual property agreement that balances the opportunity of the state to benefit from the patents, royalties, and licenses that result from basic research, therapy development, and clinical trials against the need to ensure that the agreement does not unreasonably hinder essential medical research.

(h) The office may receive nonstate funds in furtherance of the initiative. "In furtherance of the initiative" means that funds may be used to award additional demonstration projects under the same terms and conditions as state funds in the initiative, held in reserve for follow-on funding of any awardees, or used to fund other nondemonstration project activities in a proportion no greater than 20 percent of the total of nonstate funds received over the term of the commitment. The office shall return unexpended nonstate funds to the source before January 1, 2020.

(i) Up to 30 percent of any amount appropriated to the office for precision medicine may be held by the office until an equivalent amount of nonstate matching funds is identified and received. Amounts subject to nonstate match may be released in increments as determined by the office.

(j) Up to 10 percent of any amount appropriated to the office for precision medicine may be used by the office for administrative costs.

(k) The office shall recruit a precision medicine expert selection committee to represent various precision medicine-related skills, such as bioinformatics, statistics, health economics, patient engagement, and genomics. The Legislature may make nominations for the selection committee to the office for consideration.

(*l*) Members of the selection committee shall be deemed to not be interested in any contract, including any award of funds by the committee, pursuant to this section.

(m) Prior to the selection committee's deliberative process, the office shall notify the Legislature of the selection of the committee members.

(n) The selection committee established in subdivision (k) shall comply with the Bagley-Keene Open Meeting Act (Article 9 (commencing with

Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2), except during the deliberative process as it relates to reviewing and ranking proposals and making final selections.

(o) The selection committee shall report on the justification for selecting the demonstration projects that are awarded funding and provide a list of the demonstration projects that were not selected. This report shall be posted on the Internet Web site created in subdivision (e).

65058. It is the intent of the Legislature that the office make awards in compliance with the following:

(a) The awards are made to demonstration projects in California.

(b) The awards are prioritized for public and private nonprofit entities.

(c) The awards include, but are not limited to, awards to public institutions in both northern and southern California.

65059. This article shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

SEC. 30. Title 12.2 (commencing with Section 14230) is added to Part 4 of the Penal Code, to read:

TITLE 12.2. CALIFORNIA FIREARM VIOLENCE RESEARCH ACT

14230. The Legislature finds and declares the following:

(a) Firearm violence is a significant public health and public safety problem in California and nationwide. Nationally, rates of fatal firearm violence have remained essentially unchanged for more than a decade, as declines in homicide have been offset by increases in suicide.

(b) California has been the site of some of the nation's most infamous mass shootings, such as those at a McDonald's in San Ysidro, at Cleveland Elementary School in Stockton, near the University of California, Santa Barbara in Isla Vista, and most recently at the Inland Regional Center in San Bernardino. Yet public mass shootings account for less than 1 percent of firearm violence. In 2014, there were 2,939 firearm-related deaths in California, including 1,582 suicides, 1,230 homicides, 89 deaths by legal intervention, and 38 unintentional or undetermined deaths. In communities where firearm violence is a frequent occurrence, the very structure of daily life is affected.

(c) Nationwide, the annual societal cost of firearm violence was estimated at $229,000,000,000 in 2012. A significant share of this burden falls on California. In 2013, the Office of Statewide Health Planning and Development noted that government-sponsored insurance programs covered nearly two-thirds of the costs of hospitalizations for firearm assaults in California, and about one-half of the costs of hospitalizations for unintentional injuries or those resulting from deliberate self-harm.

(d) California has been a leader in responding to this continuing crisis. However, although rates of fatal firearm violence in California are well below average for the 50 states, they are not low enough.

(e) Too little is known about firearm violence and its prevention. This is in substantial part because too little research has been done. The need for more research and more sophisticated research has repeatedly been emphasized. Because there has been so little support for research, only a small number of trained investigators are available.

(f) When confronted by other major health and social problems, California and the nation have mounted effective responses, coupling an expanded research effort with policy reform in the public's interest. Motor vehicle accidents, cancer, heart disease, and tobacco use are all examples of the benefits of this approach.

(g) Federal funding for firearm violence research through the federal Centers for Disease Control and Prevention has been virtually eliminated by Congress since 1996, leaving a major gap that must be filled by other sources.

14231. (a) It is the intent of the Legislature to establish a center for research into firearm-related violence. It is the intent of the Legislature that the center be administered by the University of California pursuant to the following principles:

(1) Interdisciplinary work of the center shall address the following:

(A) The nature of firearm violence, including individual and societal determinants of risk for involvement in firearm violence, whether as a victim or a perpetrator.

(B) The individual, community, and societal consequences of firearm violence.

(C) Prevention and treatment of firearm violence at the individual, community, and societal levels.

(2) The center shall conduct basic, translational, and transformative research with a mission to provide the scientific evidence on which sound firearm violence prevention policies and programs can be based. Its research shall include, but not be limited to, the effectiveness of existing laws and policies intended to reduce firearm violence, including the criminal misuse of firearms, and efforts to promote the responsible ownership and use of firearms.

(3) The center shall work on a continuing basis with policymakers in the Legislature and state agencies to identify, implement, and evaluate innovative firearm violence prevention policies and programs.

(4) To help ensure a long-term and successful effort to understand and prevent firearm violence, the center shall recruit and provide specialized training opportunities for new researchers, including experienced investigators in related fields who are beginning work on firearm violence, young investigators who have completed their education, postdoctoral scholars, doctoral students, and undergraduates.

(5) As a supplement to its own research, the center may administer a small grant program for research on firearm violence. All research funds shall be awarded on the basis of scientific merit as determined by an open, competitive peer review process that assures objectivity, consistency, and

high quality. All qualified investigators, regardless of institutional affiliation, shall have equal access and opportunity to compete for the funds.

(6) The peer review process for the selection of grants awarded under this program shall be modeled on the process used by the National Institutes of Health in its grantmaking process.

(b) It is further the intent of the Legislature that on or before December 31, 2017, and every five years thereafter, the University of California transmit programmatic, as well as financial, reports to the state, including a report on the grants made, pending grants, program accomplishments, and the future direction of the program. The report shall be submitted in compliance with Section 9795 of the Government Code.

(c) Subject to the conditions and requirements established elsewhere in statute, state agencies, including, but not limited to, the Department of Justice, the State Department of Public Health, the State Department of Health Care Services, the Office of Statewide Health Planning and Development, and the Department of Motor Vehicles, shall provide to the center, upon proper request, the data necessary for the center to conduct its research.

(d) The center and all recipients of grants shall provide copies of their research publications to the Legislature and to agencies supplying data used in the conduct of that research as soon as is practicable following publication. These submissions shall be submitted in compliance with Section 9795 of the Government Code.

(e) Toward these ends, the Legislature requests that the Regents of the University of California establish a Firearm Violence Research Center and administer the center and grant program pursuant to, and consistent with, the principles and goals stated herein.

14232. This article shall apply to the University of California only to the extent that the Regents of the University of California, by resolution, make any of these provisions applicable to the university.

SEC. 31. Section 10340 of the Public Contract Code is amended to read:

10340. (a) Except as provided by subdivision (b), state agencies shall secure at least three competitive bids or proposals for each contract.

(b) Three competitive bids or proposals are not required in any of the following cases:

(1) In cases of emergency where a contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property.

(2) When the agency awarding the contract has advertised the contract in the California State Contracts Register and has solicited all potential contractors known to the agency, but has received less than three bids or proposals.

(3) (A) The contract is with another state agency, a local governmental entity, an auxiliary organization of the California State University, an auxiliary organization of a California community college, a foundation organized to support the Board of Governors of the California Community Colleges, or an auxiliary organization of the Student Aid Commission

established pursuant to Section 69522 of the Education Code. These contracts, however, shall not be used to circumvent the competitive bidding requirements of this article.

(B) Notwithstanding subparagraph (A), until January 1, 2020, an interagency agreement that is in effect pursuant to an amount appropriated to the Office of Planning and Research for precision medicine, including a contract between the Office of Planning and Research, the Regents of the University of California, or an auxiliary organization of the California State University, may include a subcontract not subject to any competitive bidding requirements of this article for the limited purpose of researching or developing precision medicine.

(4) The contract meets the conditions prescribed by the department pursuant to subdivision (a) of Section 10348.

(5) The contract has been awarded without advertising and calling for bids pursuant to Section 19404 of the Welfare and Institutions Code.

(6) Contracts entered into pursuant to Section 14838.5 of the Government Code.

(7) Contracts for the development, maintenance, administration, or use of licensing or proficiency testing examinations.

(8) The contract is for services for the operation, maintenance, repair, or replacement of specialized equipment at facilities of the State Water Resources Development System, as defined in Section 12931 of the Water Code, and meets the conditions established by the Department of Water Resources for those contracts.

(9) The contract meets the conditions prescribed by the Department of Water Resources for contracts subject to Section 10295.6.

(10) Contracts entered into by the Commission on Peace Officer Standards and Training or the Office of Emergency Services solely for the services of instructors for public safety training. For the purpose of this paragraph, "public safety training" includes, but is not limited to, training related to law enforcement, emergency medical response, emergency volunteers, and fire responders.

(c) Any agency that has received less than three bids or proposals on a contract shall document, in a manner prescribed by the department, the names and addresses of the firms or individuals it solicited for bids or proposals.

SEC. 32. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....		3,623,789,000
Schedule:		
(1) 5670015-Apportionments.....	2,523,473,000	
(2) 5670019-Apprenticeship.....	31,433,000	
(3) 5670023-Apprenticeship Training and Instruction.....	20,491,000	

(4) 5675015-Student Success for Basic Skills Students..... 20,037,000
(5) 5675019-Student Financial Aid Administration..... 73,727,000
(6) 5675027-Disabled Students..... 115,388,000
(7) 5675031-Student Services for Cal WORKs Recipients..... 34,897,000
(8) 5675035-Foster Care Education Program..... 5,254,000
(9) 5675039-Student Success and Support Program..... 471,683,000
(10) 5675061-Academic Senate for the Community Colleges..... 468,000
(11) 5675069-Equal Employment Opportunity..... 767,000
(12) 5675073-Part-Time Faculty Health Insurance..... 490,000
(13) 5675077-Part-Time Faculty Compensation..... 24,907,000
(14) 5675081-Part-Time Faculty Office Hours..... 3,514,000
(15) 5675099-Telecommunications and Technology Infrastructure..... 19,890,000
(16) 5675119-Economic Development..... 22,929,000
(17) 5675123-Transfer Education and Articulation..... 698,000
(18) 5675023-Extended Opportunity Programs and Services..... 123,189,000
(19) 5675115-Fund for Student Success..... 3,792,000
(20) 5675150-Campus Childcare Tax Bailout..... 3,384,000
(21) 5675156-Nursing Program Support..... 13,378,000
(22) 5670035-Expand the Delivery of Courses through Technology..... 10,000,000
(23) 5675133-Physical Plant and Instructional Support..... 100,000,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2015–16 fiscal year to Section B of the State School Fund.
2. (a) The funds appropriated in Schedule (1) shall be allocated using the budget formula established pursuant to Section 84750.5 of the Education Code. The budget formula shall be adjusted to reflect the following:
   (1) Of the funds appropriated in Schedule (1), $156,457,000 shall be used to increase

statewide growth of full-time equivalent students (FTES) by 3 percent.

(2) Of the funds appropriated in Schedule (1), $61,022,000 shall be used to reflect a cost-of-living adjustment of 1.02 percent.

(b) Of the funds appropriated in Schedule (1) $266,692,000 shall be used to adjust the budget formula pursuant to Section 84750.5 of the Education Code to recognize increases in operating costs and to improve instruction.

(c) Funds allocated to a community college district from funds included in Schedule (1) shall directly offset any mandated costs claimed for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) program or any costs of complying with Section 84754.5 of the Education Code.

(d) Of the funds appropriated in Schedule (1):

(1) $100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.

(2) Up to $500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.

(e) (1) Of the funds appropriated in Schedule (1), $62,320,000 is for increasing the number of full-time faculty within the community college system. Notwithstanding, Subchapter 1 (commencing with Section 51025) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations, the Chancellor of the California Community Colleges shall allocate these funds to all districts on a per FTES basis by modifying each district's budget formula pursuant to Section 84750.5 of the Education Code. All districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, shall receive funding pursuant to this subdivision. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements

of subdivision (f) of Section 84750.5 of the Education Code.

(2) Utilizing the data from the full-time faculty obligation report for the 2014–15 fiscal year, the chancellor shall rank, from the lowest to the greatest full-time faculty percentage, each community college district within quintiles so that each quintile has approximately equal numbers of full-time equivalent students. The chancellor shall adjust the faculty obligation number for each district as follows:

(A) An increase of one for every $73,057 received for districts in the lowest quintile (quintile 1).

(B) An increase of one for every $80,000 received for districts in the second quintile (quintile 2).

(C) An increase of one for every $95,000 received for districts in the third quintile (quintile 3).

(D) An increase of one for every $110,000 received for districts in the fourth quintile (quintile 4).

(E) An increase of one for every $125,000 received for districts in the fifth quintile (quintile 5).

(F) If the number of full-time faculty increased pursuant to subparagraphs (A) through (E) results in a district exceeding the 75-percent standard, the Chancellor shall increase the number of the full-time obligation to a point that leaves the district as close as possible to, but not in excess of, the 75-percent standard, consistent with paragraph (5) of subdivision (c) of Section 51025 of Subchapter (1) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations.

(3) To the extent that the increased faculty obligation number calculated in paragraph (2) does not result in an obligation to hire additional full-time faculty, it is the intent of the Legislature that districts use these funds to enhance student success through the support of part-time and full-time faculty, including, but not limited to, part-time faculty office hours.

3. (a) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
   (b) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be $5.46 per hour.
   (c) Of the funds appropriated in Schedule (2), $15,000,000 shall be used for the purposes of Section 79148 of the Education Code.
4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code.
   (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be $5.46 per hour.
5. Of the funds appropriated in Schedule (4):
   (a) $1,209,000 shall be used for faculty and staff development to improve curriculum, instruction, student services, and program practices in basic skills and English as a Second Language (ESL) programs. The Chancellor of the California Community Colleges (chancellor) shall select a district, using a competitive process, to carry out these activities.
   (b) $18,828,000 shall be allocated by the chancellor to community college districts to improve outcomes of students who enter college needing to complete at least one course in ESL or basic skills.
6. (a) Of the funds appropriated in Schedule (5):
      (1) Not less than $16,772,000 is available to provide $0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
      (2) Not less than $16,955,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
      (3) $2,800,000 shall be allocated to a community college district to conduct a statewide media campaign to promote the following message:

(A) the California Community Colleges are affordable, (B) financial aid is available to cover fees and help with books and other costs, and (C) an interested student should contact his or her local community college financial aid office. The campaign should target efforts to reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult regularly with the chancellor and the Student Aid Commission.

(4) Not more than $37,200,000 shall be for direct contact with potential and current financial aid applicants. Each California Community College campus shall receive a minimum allocation of $50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting FTES weighted by a measure of low-income populations demonstrated by BOG fee waiver program participation within a district. Of the amount allocated pursuant to this paragraph, $3,000,000 is available on a one-time basis to support the administration of Cal Grant B Access Award distributions to students pursuant to Item 6870-102-0001.

(5) Funds allocated to a community college district pursuant to paragraphs (1) and (2) shall supplement, not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

(6) Funding allocated to a community college district pursuant to paragraphs (1) and (2) shall directly offset any costs claimed by that district for any of the following mandates: Enrollment Fee Collection (99-TC-13), Enrollment Fee Waivers (00-TC-15), Cal Grants (02-TC-28), and Tuition Fee Waivers (02-TC-21).

(7) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2015–16 fiscal year shall be determined in this act.

7. (a) The funds appropriated in Schedule (6) shall be used to assist districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges and for state hospital programs, as mandated by federal law.
   (b) Of the amount appropriated in Schedule (6):
      (1) At least $3,945,000 shall be used to address deficiencies identified by the United States Department of Education Office for Civil Rights.
      (2) At least $943,000 shall be used to support the High Tech Centers for activities, including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled.
      (3) At least $9,600,000 shall be allocated to community college districts for sign language interpreter services, real-time captioning equipment, or other communication accommodations for hearing-impaired students. A community college district is required to spend $1 from local or other resources for every $4 received pursuant to this paragraph.
      (4) $1,000,000 shall be allocated for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts.
8. (a) The funds appropriated in Schedule (7) shall be allocated pursuant to Article 5 (commencing with Section 79200) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
   (b) Of the amount appropriated in Schedule (7):
      (1) $9,188,000 is for child care, except that a community college district may request that the chancellor approve use of funds for other purposes.
      (2) No less than $4,900,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and $613,000 is available for campus job development and placement services.
   (c) A community college district is required to spend $1 from local or other resources for every $1 received pursuant to this provision, except for any

funds received pursuant to paragraph (1) of subdivision (b).

9. (a) The funds appropriated in Schedule (8) shall be allocated to community college districts to provide foster and relative/kinship care education and training pursuant to Article 8 (commencing with Section 79240) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. A community college district shall ensure that education and training required pursuant to Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receives priority.

10. (a) The funds appropriated in Schedule (9) shall be used for the purposes of Article 1 (commencing with Section 78210) of Chapter 2 of Part 48 of Division 7 of Title 3 of the Education Code.

(b) Of the amount included in Schedule (9):

(1) $285,183,000 shall be allocated pursuant to Section 78216 of the Education Code.

(2) (A) $155,000,000 shall be allocated to community college districts to implement student equity plans pursuant to Article 1.5 of Chapter 2 of Part 48 of Division 7 of Title 3 of the Education Code. These plans shall be coordinated with the Student Success and Support Program plans, pursuant to Section 78216 of the Education Code, and the Student Success Scorecard, pursuant to Section 84754.5 of the Education Code.

(B) These funds shall be allocated by the chancellor to community college districts using a methodology that ensures that districts with a greater proportion or number of students who have high needs receive more resources to provide services to these students. The chancellor shall ensure that the allocation methodology reflects the inclusion of foster youth within the proportion or number of high-needs students.

(C) Consistent with the intent of Chapter 771 of the Statutes of 2014 and within the funds allocated to community college districts pursuant to this paragraph, the chancellor shall enter into agreements with up to 10 community college districts to provide additional services in support of postsecondary educa-

tion for foster youth. Up to $15 million of the funds allocated to community college districts pursuant to this paragraph shall be prioritized for services pursuant to Chapter 771 of the Statutes of 2014. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Chapter 771 of the Statutes of 2014.

(D) Nothing in this provision prevents existing student-equity related categorical programs or campus-based programs from accessing student equity plan funds.

(3) (A) $5,500,000 may be used by the chancellor to provide technical assistance to community college districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance consistent with the vision for the California Community Colleges.

(B) Technical assistance funded pursuant to this paragraph that is initiated by the chancellor may be provided at no cost to the district. If a community college district requests technical assistance, the district is required to spend at least $1 from local or other resources for every $2 received as determined by the chancellor.

(4) (A) 12,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to: strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning, implementation, and outcomes of statewide initiatives. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of

improving student success and institutional effectiveness. Beginning in the 2016–17 fiscal year, the Chancellor of the California Community Colleges shall submit a report on the use of these funds in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than October 1 of each year.

(B) Funding available pursuant to this paragraph may be utilized by the chancellor to coordinate with community college districts to develop and disseminate effective practices through the establishment of an online clearinghouse of information. The development of effective practices shall include, but not be limited to, statewide priorities such as the development of educational programs or courses for the incarcerated adults in prisons and jails, and the formerly incarcerated, educational programs or courses for California Conservation Corps members, and other effective practices.

(C) It is the intent of the Legislature to encourage the chancellor to facilitate the development of local community college courses for the California Conservation Corps and the incarcerated adults in prisons and jails, and the formerly incarcerated. The California Department of Corrections and Rehabilitation and the California Conservation Corps are encouraged to partner with the chancellor's office in the development and dissemination of local community college courses and effective practices pursuant to this subparagraph and subparagraph (B).

(D) It is the intent of the Legislature that the Chancellor identify one or multiple community college districts that would be willing to utilize at least a total of $5,000,000 of their combined funding for the purpose of developing and providing effective education programs for incarcerated adults in prisons and jails, and the formerly incarcerated. These funds shall be utilized to receive a 1 to 3 match of state to private funds that could be available for these purposes. Any private funds received would be allocated to the

identified community colleges based on their proportion of the combined funding match, as determined by the Chancellor.

(E) Funds appropriated pursuant to this paragraph shall be available for encumbrance and expenditure until June 30, 2018.

(5) Up to $14,000,000 may be used for e-transcript, e-planning, and common assessment tools. Any remaining funds shall be used pursuant to paragraph (1).

11. The funds in Schedule (13) shall be allocated to increase compensation for part-time faculty. Funds shall be allocated to districts based on the total actual number of FTES in the previous fiscal year, with an adjustment to the allocations provided to small districts. These funds shall be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through collective bargaining in each community college district. If a community college district achieves parity between compensation for full-time faculty and part-time faculty, funds received pursuant to this provision may be used for any other educational purpose.

12. Of the funds provided in Schedule (15):

(a) $19,890,000 shall be allocated by the chancellor on a competitive basis, for the following purposes:

(1) Provision of access to statewide multimedia hosting and delivery services for state colleges and districts.

(2) Provision of systemwide Internet, audio bridging, and telephony.

(3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development.

(4) Ongoing support for the California Virtual Campus Distance Education Program.

(5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.

(6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system toward improving learning outcomes.

(7) Ongoing support of the California Partnership for Achieving Student Success (Cal-PASS) program.

(b) The remaining funds shall be available for allocations to districts to maintain technology capabilities.

13. Of the funds appropriated in Schedule (16), the following shall apply:

(a) Up to 10 percent may be allocated for state-level technical assistance, including statewide network leadership, organizational development, coordination, and information and support services.

(b) All remaining funds shall be allocated for programs that target investments in priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants may include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training.

(c) Funds applied to performance-based training shall be matched by a minimum of $1 contributed by private businesses or industry for each $1 of state funds. The chancellor shall consider the level of involvement and financial commitments of business and industry in making awards for performance-based training.

14. (a) The funds appropriated in Schedule (17) shall be used to support transfer and articulation projects and common course numbering projects.

(b) Funding provided to community college districts shall directly offset any costs claimed by community college districts to be mandates pursuant to Chapter 737 of the Statutes of 2004.

15. (a) Of the funds appropriated in Schedule (18):

(1) $107,570,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.

(3) $15,619,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with

Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The chancellor shall allocate these funds to local programs on the basis of need for student services.

(b) Of the amount allocated pursuant to subdivision (a), no less than $4,972,000 shall be available to support additional textbook assistance grants to community college students.

16. The funds appropriated in Schedule (19) shall be used for the following purposes:

(a) $1,183,000 shall be used for the Puente Project to support up to 75 colleges. These funds are available if matched by $200,000 of private funds and if the participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.

(b) Up to $1,515,000 is for the Mathematics, Engineering, Science Achievement (MESA) program. A community college district is required to spend $1 from local or other resources for every $1 received pursuant to this subdivision.

(c) No less than $1,094,000 is for the Middle College High School Program. With the exception of special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment.

17. The funds appropriated in Schedule (20) shall be allocated by the chancellor to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.

18. Of the funds appropriated in Schedule (21):
    (a) $8,475,000 shall be used to provide support for nursing programs.
    (b) $4,903,000 shall be used for diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.
19. The funds appropriated in Schedule (22) shall be allocated to the chancellor to increase the number of courses available through the use of technology and to provide alternative methods for students to earn college credit. The chancellor shall ensure, to the extent possible, that the following conditions are satisfied:
    (a) These courses can be articulated across all community college districts.
    (b) These courses are made available to students systemwide, regardless of the campus at which a student is enrolled.
    (c) Students who complete these courses are granted degree-applicable credit across community colleges.
    (d) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees.
20. (a) Any funds appropriated in Schedule (23) are available for the following purposes:
    (1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported FTES, and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.
    (2) Hazardous substances abatement, cleanup, and repairs.
    (3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101

et seq.) and seismic retrofit projects limited to $400,000.

(4) Water conservation projects to reduce water consumption in cooperation with the Governor's Executive Order B-29-15. Projects may include any of the following:

(A) Replacement of water intensive landscaping with drought tolerant landscaping, synthetic turf, provided that the turf is used only in nonathletic areas, and other nonplant materials.

(B) Drip or low-flow irrigation systems.

(C) Building improvements to reduce water usage.

(D) Installation of meters for wells to allow for monitoring of water usage.

(b) Any funds appropriated in Schedule (23) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis of actual reported FTES and may establish a minimum allocation per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

(c) Any funds appropriated in Schedule (23) shall be available for one-time use until June 30, 2017.

SEC. 33. Section 9 of Chapter 489 of the Statutes of 2007 is amended to read:

Sec. 9. (a) The sum of thirty-three million one hundred thousand dollars ($33,100,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges, in augmentation of Schedule (2) (10.10.020 Basic Skills and Apprenticeship) of Item 6870-101-0001 of the Budget Act of 2007 (Chapters 171 and 172 of the Statutes of 2007).

(b) These funds shall be available for the following purposes:

(1) The sum of one million six hundred thousand dollars ($1,600,000) for faculty and staff development to improve curriculum, instruction, student services, and program practices in the areas of basic skills and English as a Second Language (ESL) programs. The Office of the Chancellor shall select a district, utilizing a competitive process, to carry out these faculty and staff development activities. All colleges receiving funds pursuant to paragraph (2) shall be provided with the opportunity to participate in the faculty and staff development programs specified in this paragraph. The

Chancellor shall report on the use of these funds by the selected district to the Legislative Analyst and the Department of Finance not later than September 1, 2008.

(2) The sum of thirty-one million five hundred thousand dollars ($31,500,000) for allocation by the Chancellor to community college districts for improving outcomes of students who enter college needing at least one course in ESL or basic skills, with particular emphasis on students transitioning from high school.

(A) Funds allocated pursuant to this paragraph shall be expended for program and curriculum planning and development, student assessment, advisement and counseling services, supplemental instruction and tutoring, articulation, instructional materials and equipment, and any other purpose directly related to the enhancement of basic skills, ESL instruction, and related student programs. The allocated funds shall supplement, and not supplant, current expenditures by districts for matriculation and assessment services, basic skills, ESL instruction, and related student programs.

(B) To be eligible to receive funds pursuant to this paragraph, a district must submit to the Office of the Chancellor an application containing a certification that the college will, within the fiscal year, (i) complete an assessment of its programs and activities serving basic skills and ESL students utilizing the assessment tool developed pursuant to paragraph (1) of Item 6870-493 of Section 2.00 of the Budget Act of 2006 (Chapters 47 and 48 of the Statutes of 2006), and (ii) submit to the Office of the Chancellor an action and expenditure plan for funds received under this paragraph.

(C) The Office of the Chancellor shall work jointly with the Department of Finance and the Legislative Analyst to develop annual accountability measures for this program. It is the intent of the Legislature that annual performance accountability measures for this program utilize, to the extent possible, data available as part of the accountability system developed pursuant to Section 84754.5 of the Education Code. By November 1, 2008, the Chancellor shall submit a report to the Governor and Legislature on the annual accountability measures developed pursuant to this process.

(D) The Chancellor shall distribute funds to districts on the basis of the following two factors, with equal weight given to each: (i) the number of full-time equivalent students generated in basic skills and ESL courses in the preceding fiscal year; and (ii) the number of full-time equivalent students generated in basic skills and ESL courses by students transitioning from high schools in the preceding fiscal year. For purposes of distributing these funds, the Chancellor may establish a minimum allocation of one hundred thousand dollars ($100,000) per college.

(c) This section shall become inoperative on July 1, 2017, and, as of January 1, 2018, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 34. (a) The sum of three million dollars ($3,000,000) is hereby appropriated from the General Fund to the California State Library for allocation pursuant to this act.

(b) (1) On or before September 1, 2017, the California State Library shall submit a report to the Director of Finance and the Legislature about the use of the moneys described in subdivision (a). The report shall include all of the following:

(A) A summary of the grants awarded, including grant amounts.

(B) A description of the projects.

(C) A description of any additional funding benefiting the projects.

(D) Information about the progress of grantees toward establishing regional or statewide E-resource platforms.

(E) Information, where applicable, about the utilization of shared E-resources resulting from the grants.

(F) A description, where applicable, of any other funding benefiting the projects.

(2) The report submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 35. (a) For the 2016–17 fiscal year, the sum of seven million dollars ($7,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to enhance network infrastructure through the Telecommunications and Technology Infrastructure Program administered by the board of governors.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

SEC. 36. (a) (1) For the 2016–17 fiscal year, thirty-one million six hundred ninety-five thousand dollars ($31,695,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges in augmentation of Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 for allocation to community college districts to backfill a projected shortfall in final 2015–16 offsetting local revenues as specified in Section 84751 of the Education Code.

(2) The Director of Finance shall initially determine the need for a backfill pursuant to paragraph (1) by comparing 2015–16 offsetting local revenues, as certified by the Chancellor of the California Community Colleges at the second principal apportionment for the 2015–16 fiscal year, to the estimated offsetting local revenues used by the Department of Finance when

developing the Proposition 98 General Fund apportionment need pursuant to Section 84750.5 of the Education Code for the Budget Act of 2015.

(3) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of the amount needed to address the local revenue shortfall determined pursuant to this subdivision. The Chancellor of the California Community Colleges shall disburse that amount from funds available pursuant to this subdivision not sooner than five days after this notification and work with the Controller to allocate these funds to community college districts as soon as practicable.

(b) (1) Notwithstanding paragraph (2) of subdivision (a), no later than April 1, 2017, the Director of Finance shall redetermine the need for a backfill by comparing 2015–16 offsetting local revenues, as certified by the Chancellor of the California Community Colleges at the first principal apportionment for the 2016–17 fiscal year, to the estimated offsetting local revenues used by the Department of Finance when developing the Proposition 98 General Fund apportionment need pursuant to Section 84750.5 of the Education Code for the Budget Act of 2015.

(2) To the extent that the redetermination made pursuant to this subdivision results in a backfill amount that is less than thirty-one million six hundred ninety-five thousand dollars ($31,695,000), the Department of Finance shall compute the difference between the revised backfill calculated pursuant to this subdivision and thirty-one million six hundred ninety-five thousand dollars ($31,695,000). If the amount computed is greater than one thousand dollars ($1,000), the Director of Finance shall reallocate this amount from Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015, as adjusted pursuant to subdivision (a), to community colleges pursuant to subdivision (c) of Section 17581.95 of the Government Code.

(3) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of the amount needed to address the local revenue shortfall determined pursuant to paragraph (2), and of the amount to be disbursed pursuant to subdivision (c) of Section 17581.95 of the Government Code, if applicable. The Chancellor of the California Community Colleges shall disburse the funds available pursuant to this subdivision not sooner than five days after this notification and work with the Controller to allocate these funds to community college districts as soon as practicable.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

SEC. 37. (a) For the 2016–17 fiscal year, the sum of twenty million dollars ($20,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to expedite and enhance the adaptation and development of courses that are available through the online course exchange of the Online Education Initiative. The online course exchange is intended to provide community college students with increased access to and success in high-quality online courses.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2014–15 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2014–15 fiscal year.

SEC. 38. (a) For the 2016–17 fiscal year, the sum of five million dollars ($5,000,000) is hereby appropriated from the General Fund to the Chancellor of the California Community Colleges for allocation for purposes of this section.

(b) Pursuant to a competitive process, and using one-time funds appropriated for this purpose in the Budget Act of 2016, the Chancellor of the California Community Colleges and the Superintendent of Public Instruction shall jointly select a community college district, school district, county office of education, or adult education consortium to provide statewide leadership for community college districts and local educational agencies participating in the Adult Education Block Grant Program (Article 9 (commencing with Section 84900) of Chapter 5 of Part 50 of Division 7 of Title 3 of the Education Code). Each community college district and local educational agency participating in the Adult Education Block Grant Program shall be provided with the opportunity to participate in the statewide leadership activities specified in this section.

(c) For purposes of this section, "statewide leadership activities" include, but are not necessarily limited to, all of the following:

(1) Researching, developing, and disseminating effective practices and producing guidance documents.

(2) Providing adult education consortia with technical assistance to enhance the effectiveness of their local adult education programs.

(3) Providing professional development opportunities to adult education consortia.

(4) Establishing and maintaining an Internet Web site containing programmatic guidance.

(5) Enhancing programmatic collaboration with other state and federal education and workforce development programs.

(6) Evaluating and reporting on the effectiveness of the Adult Education Block Grant Program pursuant to Section 84917 of the Education Code.

(7) Supporting the implementation of systems, policies, and procedures for financial and data reporting, as necessary, pursuant to Section 84920 of the Education Code.

(d) The selected community college district or local educational agency shall expend funds received pursuant to subdivision (b) to support the statewide leadership activities identified in subdivision (c). The funds allocated pursuant to this section shall be expended by the selected community college district or local educational agency to provide leadership activities in the 2016–17, 2017–18, and 2018–19 fiscal years.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts and community college districts," as defined in subdivisions (c) and (d) of Section 41202 of the Education Code, for the 2016–17 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2016–17 fiscal year.

SEC. 39. (a) This section shall be known, and may be cited, as the A-G Success Initiative.

(b) The sum of four million dollars ($4,000,000) is hereby appropriated from the General Fund to the University of California for the purposes of this section.

(c) The moneys appropriated in subdivision (b) shall be used for the development of online classes and curriculum for at least 45 middle and high school courses that would be aligned with the academic content and state standards adopted by the State Board of Education and approved by the University of California for purposes of satisfying the "a-g" subject requirements.

(d) As a condition of receiving the moneys appropriated in subdivision (b), the University of California shall do all of the following:

(1) Solicit comments from the representatives of local educational agencies regarding the specific online classes and curriculum to be developed pursuant to subdivision (c).

(2) No later than January 1, 2017, submit a report to the Director of Finance, the President of the State Board of Education, and the Legislature, pursuant to Section 9795 of the Government Code, on the specific online classes and curriculum selected for development.

(3) No later than January 1, 2018, make the online classes and curriculum developed pursuant to this section available.

(4) Conduct outreach specifically to pupils from groups underrepresented in higher education regarding options for satisfying the "a-g" subject requirements.

(e) The online classes and curriculum developed pursuant to this section shall be free for California public school pupils and teachers.

(f) Pursuant to Article 5.5 (commencing with Section 49010) of Chapter 6 of Part 27 of Division 4 of Title 2 of the Education Code, a pupil enrolled

in a public school shall not be required to pay a pupil fee for participation in an educational activity, including enrollment in any classes or use of any curriculum developed pursuant to this section.

SEC. 40. (a) The sum of thirty-five million dollars ($35,000,000) is hereby appropriated from the General Fund to the Trustees of the California State University for the purposes of this section.

(b) The funds shall not be released until the Director of Finance has certified that the trustees have done, no later than September 30, 2016, all of the following:

(1) Adopted a plan for the university that specifies both of the following:

(A) The timeframe by which all of following will occur:

(i) The four-year graduation rate for students of the university increases above the four-year graduation rate for students at other postsecondary educational institutions.

(ii) The two-year transfer graduation rate for students of the university increases above the two-year transfer graduation rate for students at other postsecondary educational institutions.

(iii) The four-year graduation rate for low-income students increases to at least the four-year graduation rate for its students who are not low-income students.

(iv) The two-year transfer graduation rate for low-income students increases to at least the two-year transfer graduation rate for its students who are not low-income students.

(v) The four-year graduation rate for students at the university who are from underrepresented minority groups increases to at least the four-year graduation rate for students at the university who are not from underrepresented minority groups.

(vi) The two-year transfer graduation rate for students at the university who are from underrepresented minority groups increases to at least the two-year transfer graduation rate for students at the university who are not from underrepresented minority groups.

(vii) The four-year graduation rate for first-generation college students of the university increases to at least the four-year graduation rate for students at the university who are not first-generation college students.

(viii) The two-year transfer graduation rate for first-generation college students of the university increases to at least the two-year transfer graduation rate for students at the university who are not first-generation college students.

(B) The specific actions to be taken by the university, including changes in its policies, practices, and systems, that can credibly be expected to achieve the results specified in the portion of the plan developed pursuant to subparagraph (A).

(2) Adopted a plan for each campus that specifies both of the following:

(A) The timeframe by which all of the following will occur:

(i) The four-year graduation rate for students of the campus increases above the four-year graduation rate for students at other postsecondary educational institutions.

(ii) The two-year transfer graduation rate for students at the campus increases above the two-year transfer graduation rate for students at other postsecondary educational institutions.

(iii) The four-year graduation rate for low-income students at the campus increases to at least the four-year graduation rate for students at the campus who are not low-income students.

(iv) The two-year transfer graduation rate for low-income students at the campus increases to at least the two-year transfer graduation rate for students at the campus who are not low-income students.

(v) The four-year graduation rate for students at the campus who are from underrepresented minority groups increases to at least the four-year graduation rate for students at the campus who are not from underrepresented minority groups.

(vi) The two-year transfer graduation rate for students at the campus who are from underrepresented minority groups increases to at least the two-year transfer graduation rate for students at the campus who are not from underrepresented minority groups.

(vii) The four-year graduation rate for first-generation college students at the campus increases to at least the four-year graduation rate for students at the campus who are not first-generation college students.

(viii) The two-year transfer graduation rate for first-generation college students at the campus increases to at least the two-year transfer graduation rate for students at the campus who are not first-generation college students.

(B) The specific actions to be taken by the campus, including changes in its policies, practices, and systems, that can credibly be expected to achieve the results specified in the portion of the plan developed pursuant to subparagraph (A).

(3) Made a commitment to submit reports, at least annually, to the Director of Finance and the Legislature, pursuant to Section 9795 of the Government Code, regarding progress in improving its four-year graduation rates and two-year transfer graduation rates.

(c) The trustees shall submit to the Director of Finance and the Legislature the draft plans developed pursuant to subdivision (b) no fewer than 10 days before they are considered for approval at a public meeting.

(d) The funds appropriated in this section shall be used only for the costs of implementing the plans specified in subdivision (b) and carrying out actions included in the Graduation Initiative presented by the Chancellor of the California State University to the Trustees of the California State University to increase the four-year graduation rate and two-year graduation rate at the university.

(e) No later than November 30, 2016, the Trustees of the California State University shall identify and report to the Director of Finance and the Legislature any existing California laws that impede achievement of the results and actions specified in the plans adopted pursuant to subdivision (b) and present any proposed changes to those laws.

(f) For purposes of this section, “four-year graduation rate,” “low-income student,” and “two-year transfer graduation rate” have the same meanings as specified in Section 89295 of the Education Code.

SEC. 41. The Legislature, with respect to the amendment of Section 84750.6 of the Education Code made by Section 17 of this act, finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique accreditation and fiscal challenges facing the San Francisco Community College District.

SEC. 42. The Legislature finds and declares that Section 29 of this act, which adds Section 65057 of the Government Code, imposes a limitation on the public’s right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect the development of intellectual property and proprietary information, including unpublished research findings, that will lead to advances in precision medicine, it is necessary that this act limit the public’s right of access to that information.

SEC. 43. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

O