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## Information

### *Fiscal Policy and Planning Committee*

### Update on the Governor's Proposed 2024-25 Budget

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**Executive Summary:** This agenda item provides an update on the sections of the Governor's proposed 2024-25 budget that relate to the Commission.

**Recommended Action:** For information only

**Presenter:** Sara Saelee, Fiscal and Business Services Manager, Administrative Services Division

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# Update on the Governor's Proposed 2024-25 Budget

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## **Introduction**

On January 10, 2024, the Governor released his proposed budget for 2024-25. This agenda item provides an overview of the proposed budget for the Commission on Teacher Credentialing (Commission) for the 2024-25 fiscal year.

## **Background**

The Constitution requires the Governor, within the first 10 days of each calendar year, to submit to the Legislature a budget for the ensuing fiscal year that contains itemized statements for recommended state expenditures and estimated state revenues. The Governor's Budget must be accompanied by a budget bill that is introduced immediately in each house of the Legislature that itemizes recommended expenditures. The process of developing what becomes the Governor's Budget typically begins after agencies have reported their final year end revenues and expenditures for the preceding fiscal year. Beginning each fall, agencies work with the Department of Finance (DOF) to determine a baseline budget and to identify, through Budget Change Proposals (BCPs), any programmatic changes proposed for the ensuing fiscal year. The Governor's Budget that is introduced each January is a reflection of each department's baseline budget, adjusted by proposed Governor's initiatives, budget change proposals, or legislation.

Changes in statute that are needed to implement the Budget Act are included in separate legislation known as Trailer Bills. The Administration updates its revenue estimates and makes final adjustments to its proposals in the released May Revision. The Legislature then has until June 15 to pass the budget. When passed by the Legislature and signed by the Governor, the Budget Act provides the fiscal details needed to manage the appropriation.

The Commission is a special-fund agency, historically supported entirely by fees. Prior to the Budget Act of 2013, the Commission's revenue came from two primary sources: credential application fees, which are the primary source of revenue for the Teacher Credential Fund (TCF) and educator exam fees, which fund the Teacher Development and Assessment Account (TDAA). The Budget Act of 2014 authorized the Commission to charge fees of institutions offering educator preparation programs to support the accreditation system, which established a third source of revenue for the agency. With the Budget Act of 2023, the TDAA was consolidated into the TCF.

## **Governor's Budget for 2024-25**

The Governor's Budget proposes \$34.8 million for state operations and 189.9 positions. The Governor's Budget does not propose to continue the examination and performance assessment fee waiver.

The Governor's Budget also proposes the following:

- Directs the Commission to create a new Elementary Arts and Music Education authorization for career technical education (CTE) teachers, for additional pathways for experienced artists to provide art instruction in elementary school classrooms, in addition to providing CTE instruction in grades 7-12.
- Includes recognizing completion of a bachelor's degree as satisfying basic skills requirement for a credential and improving transcript review to certify subject matter competency.

Additional details on the Governor's 2024-25 Budget <https://www.ebudget.ca.gov/> can be found on the Department of Finance Website.

### **Next Steps**

The Governor's Budget provides the framework for the 2024-25 fiscal year. The Legislature, through its budget committees and subcommittees, and the Legislative Analyst's Office, will examine the proposals and will offer recommendations for changes. The May Revision will provide a more detailed insight of how the budget will continue and Commission staff will provide additional updated information as necessary at that time.