
SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator John Laird, Chair

2025 - 2026 Regular

Bill No:	AB 126	Hearing Date:	June 29, 2026
Author:	Committee on Budget		
Version:	June 26, 2026 Amended		
Urgency:	No	Fiscal:	No
Consultant:	Yong Salas		

Subject: Education

Summary: This bill provides for statutory changes necessary to enact the TK-12 related statutory provisions of the Budget Act of 2026.

Proposed Law: This bill, makes statutory changes necessary to implement the 2026-27 Budget Act. Specifically, this bill:

- 1) Adopts the following framework for the Proposition 98 Guarantee:
 - a. Calculates the Proposition 98 Minimum Guarantee to be \$124.9 billion, \$125.5 billion, and \$128 billion in 2024-25, 2025-26, and 2026-27, respectively. This calculation accounts for a rebench of the Guarantee to include additional costs for State Preschool Programs administered by community-based organizations and other non-local educational agency organizations.
 - b. Makes a mandatory deposit of \$8.7 billion into the Public School System Stabilization Account (PSSSA), with an additional discretionary deposit of \$500 million, for a total balance of \$9.2 billion in the PSSSA after 2026-27.
 - c. Provides that 33 percent of any higher non-Proposition 98 and non-Proposition 2 General Fund tax revenues added to Department of Finance projections through the 2027 May Revision is hereby appropriated to pay all or part of any unpaid Proposition 98 obligations for the 2025-26 fiscal year (currently projected to be \$3.9 billion). Any such funds would be transferred to the Public School System Stabilization Account as a discretionary deposit for appropriation to Proposition 98 programs in future legislation.
- 2) Adopts a 4.31 percent cost-of-living adjustment, above the statutorily required adjustment of 2.87 percent, for the Local Control Funding Formula for school districts, county offices of education, and charter schools.
- 3) Adopts a 20 percent augmentation for necessary small schools.
- 4) Adopts base rate increases for special education programs, which totals \$2.4 billion ongoing Proposition 98 General Fund.

- 5) Provides authority for additional fiscal oversight of single-district county offices of education.
- 6) Streamlines the Statewide of System of Support and shifts the differentiated assistance and direct technical assistance framework into a Universal and Targeted Assistance model in order to address the overidentification of local educational agencies. Revises the identification of local educational agencies that are eligible for targeted assistance, and shifts identification to occur every three years to align with the Local Control and Accountability Plan cycle.
- 7) Modifies the funding formula for county offices of education providing universal and targeted assistance, and delinks the number of local educational agencies identified for assistance.
- 8) Stabilizes the Rate 2 local educational agencies under the Expanded Learning Opportunities Program (ELOP) by providing at least \$1,800 per unduplicated pupil rate for local education agencies with less than 55 percent total unduplicated pupils.
- 9) Establishes the California Community Schools Partnership Program as an ongoing apportionment program, for existing grantees or for school sites with an unduplicated pupil percentage of 65 percent or above, and codifies the State Board of Education-adopted framework for community schools.
- 10) Re-appropriates \$84 million one-time Proposition 98 General Fund with the California Community Schools Partnership Program in the following ways:
 - a. \$28 million for the State Transformational Assistance Center (STAC).
 - b. \$3 million for a set of analyses by the STAC, or by an institute of higher education.
 - c. \$10 million to develop and implement the community schools certification process.
 - d. \$15 million for the STAC and the technical assistance network.
 - e. \$50 million for the Secondary School Redesign Pilot Program.
 - f. \$6 million for Transforming Together.
- 11) Provides authority to allocate funding to county offices of education to coordinate county-level community school implementation support.
- 12) Appropriates \$100 million one-time Proposition 98 General Fund for dual enrollment programs, and provides an additional \$50,000 for local educational agencies that serve justice-involved youth in county-run facilities.
- 13) Authorizes regional occupational center programs to be eligible for dual enrollment programs, and reduces the required minimum school day requirements for students in dual enrollment programs from 240 minutes to 180 minutes.
- 14) Improves accountability provisions for charter schools, and includes the use of verified data in the charter school renewal process until June 30, 2028.

- 15) Authorizes the State Allocation Board to withhold new funding approvals from school districts that default, or are projected to default, with any requirements of facility construction programs under its authority.
- 16) Augments the Learning Recovery Emergency Block Grant by \$757.3 million one-time Proposition 98 General Fund. These funds would be subject to the provisions put in place by the 2024-25 Budget Act, pursuant to the Cayla J Settlement.
- 17) Waives the administrator-teacher ratio requirements for Plumas Unified School District from 2023-24 to 2026-27.
- 18) Requires public school employers to provide up to 14 weeks of paid pregnancy disability leave to all employees.
- 19) Clarifies and facilitates improved data sharing and specify data that is to be included in the annual Teacher Supply Report.
- 20) Increases the fee for a renewal of a teaching credential and a service clear credential to \$125 every five years.
- 21) Directs the Commission of Teacher Credentialing to develop and implement a platform that will allow the Commission to conduct transcript review for candidates to establish subject matter competency.
- 22) Clarifies under the National Board for Professional Teaching Standards Certification Incentive Program that teachers may apply for all aspects of the grant program and apply for the maintenance of certification award multiple times.
- 23) Establishes a technical assistance center for Teacher Residency Grant and National Board for Professional Teaching Standards Certification Incentive Program.
- 24) Appropriates \$250 million one-time Proposition 98 General Fund for the Teacher Residency Grant Program.
- 25) Augments the 21st Century California School Leadership Academy to support professional learning opportunities statewide.
- 26) Appropriates \$22.9 million one-time Proposition 98 General Fund to support local educational agencies that are continuing to recover from the January 2025 Los Angeles County Wildfires, including one-time \$4 million Proposition 98 General Fund for Pasadena Unified School District.
- 27) Clarifies that transitional kindergarten classroom instruction must be developmentally appropriate.

- 28)Appropriates \$10 million one-time Proposition 98 General Fund for the Holocaust and Genocide Education Grant Program, with clarifying statutory changes.
- 29)Prohibits the administration of screeners to identify reading difficulties in students prior to 91 days into the school year for kindergarten students.
- 30)Appropriates an additional \$350 million one-time Proposition 98 General Fund to extend existing Literacy Coaches and Reading Specialists Grant Programs to 2031.
- 31)Appropriates \$25 million one-time Proposition 98 General Fund for the California Center for Inclusive College.
- 32)Appropriates \$10 million one-time Proposition 98 General Fund for Sacramento County Office of Education to provide technical assistance for local educational agencies to implement alternative pathways to diplomas.
- 33)Includes the mandate to provide menstrual products at local educational agencies in the K-12 Mandates Block Grant.
- 34)Augments funding for the Museum of Tolerance by \$1 million ongoing Proposition 98 General Fund, for a total funding amount of \$4 million ongoing Proposition 98 General Fund.
- 35)Makes clarifying changes to the Computer Science Supplementary Authorization Incentive Grant Program.
- 36)Extends the encumbrance period for the Literacy Roadmap project.
- 37)Appropriates \$4.4 billion one-time Proposition 98 General Fund, for a total amount of \$5 billion, for the Student Support and Professional Development Discretionary Block Grant, allocating funds based on average daily attendance, and includes support for dual enrollment, career pathways approaches, and professional development for educators in UTK, English Language Arts and Development, mathematics, induction, mentorship, community schools, and deferred maintenance.
- 38)Appropriates \$500 million one-time Proposition 98 General Fund for the Kitchen Infrastructure and Training Grant Funds, and includes family food pantries on school sites and hands-on food education, including activities with school gardens, as eligible expenditures.
- 39)Appropriates \$70 million one-time Proposition 98 General Fund, for a total amount of \$116 million one-time Proposition 98 General Fund, to support students experiencing homelessness.
- 40)Appropriates \$50 million one-time Proposition 98 General Fund for the Universal Preschool Planning Grant Program.

- 41)Appropriates \$200 million one-time Proposition 98 General Fund for the Universal PreKindergarten Planning and Implementation Grants.
- 42)Appropriates \$100 million one-time Proposition 98 General Fund for the new California New Americans in Schools (CalNAS) program.
- 43)Appropriates \$75 million one-time Proposition 98 General Fund for the Dream Resource Center Grant Program.
- 44)Appropriates \$408 million to extend the Student Teacher Stipend program, and expands the program for high-need fields.
- 45)Appropriates \$10 million one-time Proposition 98 General Fund for the Bilingual Teaching Pathways Program.
- 46)Appropriates \$10 million one-time Proposition 98 General Fund for the Classified Employee Teacher Grant Program.
- 47)Makes various technical statutory changes.

Fiscal Effect: This bill makes several appropriations related to TK-12 education.

Support: None on file.

Opposed: None on file.

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