

(Without Reference to File)

SENATE THIRD READING

SB 126 (Committee on Budget and Fiscal Review)

As Amended June 26, 2026

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This is the Education Omnibus Trailer Bill, enacting the major education statutory provisions for the 2026-27 Budget Act, including Paid Pregnancy Disability Leave, Community Schools, the Student Support Discretionary Block Grant, and increased Special Education funding rates.

Major Provisions

- 1) Provides a discretionary \$500 million deposit Proposition 98 "Rainy Day" fund, the Public School System Stabilization Account in the 2025-26 fiscal year.
- 2) Pays off all Proposition 98 funding deferrals in the Budget Year.
- 3) Provides that 33% 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 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 Proposition 98 reserve, as a discretionary deposit.
- 4) Adopts a 4.31% cost-of-living adjustment, above the statutorily required adjustment of 2.87%, for the Local Control Funding Formula for school districts, county offices of education, and charter schools.
- 5) Adopts a 20% augmentation for necessary small schools.
- 6) Adopts base rate increases for special education programs, which totals \$2.4 billion ongoing Proposition 98 General Fund.
- 7) Provides a 2.87% COLA to all statutorily-required TK-12 programs, except preschool.
- 8) Provides authority for additional fiscal oversight of single-district county offices of education.
- 9) Appropriates \$4.4 billion (of total Budget Act \$5 billion), for an additional one-time Student Support and Discretionary Block Grant, based on average daily attendance, that includes support for dual enrollment, career pathways approaches, induction, mentorship, community schools, deferred maintenance, and professional development for educators in developmentally appropriate Transitional Kindergarten, English Language Arts and Development, and mathematics, through 2032. Requires a local hearing on declining enrollment and reporting. Prohibits professional fees for employees.
- 10) Provides an ongoing \$1 billion investment to expand the California Community Schools Partnership Program to all school sites with 65% or higher unduplicated pupils, with

statutory changes to stabilize the System of Support, authorize County Coordinators, refresh the State Board of Education (SBE) Framework, and codify program minimum standards. Authorizes a new Community Schools certification program, for minimum apportionment standards, beginning in 2032.

- 11) Creates one-time investments in the Community Schools Partnership Program expansion:
 - a) \$400 million for Planning Grants for new LEAs and Promise Neighborhood expansions.
 - b) \$50 million for Middle and High School Redesign consistent with the Community Schools Framework.
 - c) \$56 million for the State Transformation Assistance Center, regional technical assistance, and to design Community Schools certification standards.
 - d) \$6 million for the CYBHI Transforming Together initiative
- 12) Stabilizes the "Tier 2" rate for the Expanded Learning Opportunities Program (ELOP) at \$1,800 per unduplicated pupil for local education agencies with less than 55% total unduplicated pupils. Increases ELOP technical assistance funding by \$2.5 million ongoing, to better support expanded learning in the Community Schools model.
- 13) Prioritizes After School Education and Safety program and 21st Century Community Learning Center after school competitive grants for community schools with no ELOP funding.
- 14) Expands and revises the formula funding for County Offices of Education to provide universal and targeted assistance in the System of Support for struggling schools. Identifies schools annually for universal and targeted assistance based on revised SBE performance criteria, but creates a new three-year assistance and intervention cycle, aligned the LEA's Local Control Accountability Plans.
- 15) Authorizes the State Board of Education to include an "all pupils" subgroup in the performance criteria for targeted assistance and intervention, and prioritize LEAs for assistance and intervention services.
- 16) Improves accountability provisions for charter schools, and includes the use of verified data in the charter school renewal process until June 30, 2028
- 17) Waives the administrator-teacher ratio requirements for Plumas Unified School District from 2023-24 to 2026-27.
- 18) 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.
- 19) Expands the existing Learning Recovery Emergency Block Grant with \$757.3 million one-time funding through 2027-28, to a restored total of \$7.2 billion.
- 20) Funds and requires up to 14 weeks of Paid Pregnancy Disability Leave for certificated and classified employees in all public local educational agencies (LEAs), beginning January 1,

2027. Allows LEAs to participate in the State Disability Insurance program, to partially meet these obligations.

- 21) Clarifies and facilitates improved data sharing and specify data that is to be included in the annual Teacher Supply Report.
- 22) Increases the fee for a renewal of a teaching credential and a service clear credential to \$125 every five years.
- 23) 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.
- 24) 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.
- 25) Establishes a technical assistance center for Teacher Residency Grant and National Board for Professional Teaching Standards Certification Incentive Program.
- 26) Extends the Student Teacher Stipend program through 2031-2032, and increases the stipends for student teachers in high-need fields, to \$15,000, with a total increase of \$408 million, one-time.
- 27) Extends the Teacher Residency programs through 2029-30 with an increase of \$250 million, one-time.
- 28) Clarifies that transitional kindergarten classroom instruction must be developmentally appropriate.
- 29) Provides \$100 million, one-time for expanding dual enrollment programs, with a maintenance of effort requirement for grantees, instructional minutes flexibility, up to 75% set-aside for CCAP programs, dual credit clarifications, and technical assistance through the CA Community College Chancellor's Office and CA College Guidance Initiative.
- 30) Funds an additional \$500 million one-time for the Kitchen, Infrastructure and Training program, with a clarification that Family Food Pantries and culinary curricula, including school gardens, are an allowable local decision.
- 31) Creates the Bilingual Teacher Pathway Program, with \$10 million, one-time for LEA consortia in partnership with institutions of higher education..
- 32) Extends the Classified Employees Teacher Credentialing Program through 2028 with \$10 million, one-time.
- 33) Authorizes use of ongoing federal IDEA funding to the Golden State Teachers Grant program, for special education teacher applicants. Increases special education teacher grant levels to \$20,000 per candidate and restores grant priority for teachers in high-need fields.
- 34) Creates a new, \$116 million one-time grant to support identification of Students Experiencing Homelessness, aligned to the federal McKinney Vento definitions.

- 35) Appropriates \$100 million one-time Proposition 98 General Fund for the new California New Americans in Schools (CalNAS) program, to support immigrant pupils.
- 36) Provides \$75 million, one-time, for high school Dream Resources Centers.
- 37) Provides an additional \$40 million one-time Proposition 98 for the implementation costs in 2026-27 for the new reading difficulties screener
- 38) Adopts statutory changes for screen administration timelines in kindergarten, to prohibit screens for purposes of determining a student as "at risk" until after 91 days of instruction.
- 39) Provides an additional \$22.9 million one-time Proposition 98 support for LEAs recovering from the 2025 wildfires.
- 40) Provides \$890,000 ongoing Proposition 98 funding for the Los Angeles County Office of Education science performance task resources.
- 41) Increases the Mandate Block Grant by \$1.7 million ongoing for the Menstrual Products mandated program.
- 42) Extends Literacy Coaches grants through the 2030-31 fiscal year with \$350 million, one-time, including the Literacy Coaches and Reading Specialists Educator Training.
- 43) Extends planning funds for Universal Preschool with \$200 million one-time Proposition 98 General Fund for the Universal PreKindergarten Planning and Implementation Grants, and \$50 million one-time Proposition 98 General Fund for the Universal Preschool Planning Grant Program.
- 44) Extends the Math Professional Learning Partnership to more grantees and through the 2028-29 fiscal year with \$50 million one-time.
- 45) Provides a one-time increase of \$25 million for the Inclusive College Technical Assistance Center., and \$10 million one-time for Alternative Pathways to High School Diplomas.
- 46) Provides an additional \$30 million, one-time, for the Supporting Inclusive Practices Project.
- 47) Extends the Teacher Residency Technical Assistance Center through 2034 with \$30 million, one-time. Adopts trailer bill language for repayment.
- 48) Extends the 21st Century California School Leadership Academy with \$15 million, one-time.
- 49) Provides an additional \$10 million one-time for the Holocaust and Genocide Education Grant Program, and an additional \$1 million for the Museum of Tolerance.
- 50) Approves \$5 million one-time for a Commission on Teacher Credentialing teacher candidate transcript review IT system, and a \$25 annual fee increase on teacher credentials to offset the ongoing policy changes.
- 51) Makes clarifying changes to the Computer Science Supplementary Authorization Incentive Grant Program.

52) Extends the encumbrance period for the Literacy Roadmap project.

COMMENTS

According to the Author

Arguments in Support

Non on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill makes a number of large appropriations, including:

- 1) 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.
- 2) Appropriates an increase for the Learning Recovery Emergency Block Grant by \$757.3 million one-time Proposition 98 General Fund.
- 3) Appropriates \$250 million one-time Proposition 98 General Fund for the Teacher Residency Grant Program.
- 4) Appropriates an additional \$350 million one-time Proposition 98 General Fund to extend existing Literacy Coaches and Reading Specialists Grant Programs to 2031.
- 5) 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
- 6) 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.
- 7) Appropriates \$100 million one-time Proposition 98 General Fund, for a total amount of \$146 million one-time Proposition 98 General Fund, to support for students experiencing homelessness.
- 8) Appropriates \$200 million one-time Proposition 98 General Fund for the Universal PreKindergarten Planning and Implementation Grants, and \$50 million one-time Proposition 98 General Fund for the Universal Preschool Planning Grant Program.
- 9) Appropriates \$100 million one-time Proposition 98 General Fund for the new California New Americans in Schools (CalNAS) program.

10) Appropriates \$75 million one-time Proposition 98 General Fund for the Dream Resource Center Grant Program.

VOTES**SENATE FLOOR: 28-10-2**

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Reyes, Stern

UPDATED

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CONSULTANT: Erin Gabel / BUDGET / (916) 319-2099

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