

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 21, 2010  
POSITION: Oppose

BILL NUMBER: SB 1298  
AUTHOR: L. Hancock

**BILL SUMMARY: Regional Occupational Centers and Programs**

This bill attempts to protect the Regional Occupational Centers or Programs (ROCP) from the K-12 categorical program flexibility authorized by the Budget Act of 2009. Specifically, this bill would prohibit a school district from withdrawing from a ROCP unless the State Board of Education determines that the withdrawal would not negatively impact career technical education provided in that region. This condition would be effective for fiscal years 2011-12 and 2012-13. The bill would also impose other specified restriction on ROCP funding.

**FISCAL SUMMARY**

This bill would not create any state level cost; however the bill would reduce local flexibility to redirect funding to meet local needs and priorities.

**COMMENTS**

The Department of Finance opposes this bill for the following reasons:

- The bill would set an undesirable precedent for other categorical program advocates to seek similar legislative protections. The categorical flexibility included in the Budget Act of 2009 reflects specified categorical programs that were agreed upon by the Legislature and the Administration. Granting exclusive protections to specified categorical programs could lead to the dismantling of the flexibility, which would conflict with the initial legislative intent.
- Given the ongoing budget crisis, the categorical flexibility continues to be valuable tool for local educational agencies (LEAs) to manage their limited resources and to meet local needs and priorities. Minimizing this tool would be inconsistent with the Administration's effort to increase local flexibility during this period of constrained resources.

Current law authorizes LEAs to use funding from 39 specified K-12 categorical programs, including ROCP, for any education purpose upon meeting specified requirements such as holding a public hearing to discuss how the funds will be used. This flexibility is available to LEAs through the 2012-13 fiscal year. The SDE is required to report to the Legislature and the Department of Finance by April 15 of 2010, and annually thereafter through 2014, how the funds were used when the flexibility was utilized.

The ROCPs provide career preparation and technical training to high school students and adults throughout California. Many ROCPs are Joint Power Authorities that combine funding from participating LEAs. Approximately two-thirds of ROCP enrollment consist of grade 11 and 12 students. All programs are partnered with local businesses in order to determine local workforce demands and to provide on the job experience. The 2010-11 Governor's Budget provides \$383.4 million Proposition 98 General Fund for the ROCP.

Analyst/Principal (0331) E. Hanson	Date	Program Budget Manager Jeannie Oropeza	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)

**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**

**AUTHOR**

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)						Fund Code
	LA	(Dollars in Thousands)						
	CO	PROP						
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013
6110/Dept of Educ	LA	Yes		-----	No/Minor	Fiscal Impact	-----	0001