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CA·NURSES FOR ENVIRONMENTAL HEALTH & JUSTICE

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Children Now®



gogreen INITIATIVE



CLIMATE ACTION

CAMPAIN SAN DIEGO | ORANGE COUNTY | LOS ANGELES



WATER AND WILDLIFE EDUCATION



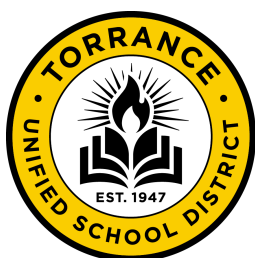
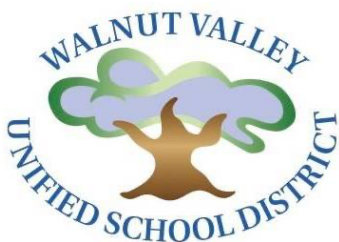
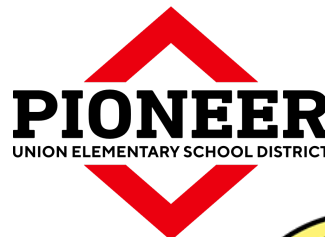
EAPD EAST AREA PROGRESSIVE DEMOCRATS

SUSTAINABLE MARIN SCHOOLS

nbi new buildings institute

Ten Strands Connecting Education, Environment, and Community

LAWNDALE Elementary School District



Escalon Unified School District Cultivating our community. Growing our future.

April 13, 2026

The Honorable Monique Limón,
President pro Tempore
California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Robert Rivas,
Speaker of the Assembly
California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable John Laird, Chair
Senate Budget and Fiscal Review Committee
1020 N Street, Room 502
Sacramento, CA 95814

The Honorable Jesse Gabriel, Chair
Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Sasha Renée Pérez, Chair
Senate Budget Subcommittee 1 on Education

The Honorable David A. Alvarez, Chair
Assembly Budget Subcommittee 3 on
Education Finance

The Honorable Eloise Gómez Reyes, Chair
Senate Budget Subcommittee 2 on
Resources, Environmental Protection and
Energy

The Honorable Steve Bennett, Chair
Assembly Budget Subcommittee 4 on
Climate Crisis, Resources, Energy and
Transportation

Re: Ensure CalSHAPE Funds Reach Schools that Need Them—Before It's Too Late

Dear President pro Tempore, Speaker, and Budget Committee and Subcommittee Chairs,

We respectfully urge you to take action to ensure that remaining CalSHAPE funds reach California schools that need them to improve energy efficiency, health, and resilience to extreme heat, wildfire smoke, and infectious diseases. In particular, we ask you to:

- **Extend statutory deadlines for the [CalSHAPE program](#)**, currently set to sunset on January 1, 2027, with unspent funds reverting to investor-owned utilities (IOUs) on December 1, 2026
- **Direct the California Energy Commission (CEC) to distribute the estimated [\\$194 million](#) in remaining funds to schools**
- **Prioritize funding for HVAC upgrades and repairs** that will promote high-quality local jobs and help schools
 - reduce [energy use](#) and [pollution](#)
 - remain open during [extreme weather](#) and [air quality](#) events like wildfires
 - protect students and staff against [infectious diseases](#), [harmful pollutants](#), and [dangerous temperatures](#)

These objectives can be achieved by deleting the existing provisions of [TBL RN 26 09129](#), relating to CalSHAPE, and inserting [new provisions](#). We also support the [proposal](#) of [stakeholders](#) to allocate existing unspent interest on CalSHAPE program funds, estimated to be around [\\$70 million](#), to the Demand Side Grid Support Program (DSGS), [rather than](#) to the Emergency Load Reduction Program (ELRP).

CalSHAPE was established by AB 841 (2020) to offer 100% grant funding to make California schools—especially those in underserved and fenceline communities—more energy efficient, healthy, and resilient. However, **the program’s reach and impact have been undermined by efforts to sweep its funds, leading to the abrupt mid-2024 closure of applications, which have never reopened.**

As a result, although more than 4,500 schools ([50% in underserved communities](#)) obtained grant awards to conduct initial HVAC *assessments*, only 172 were able to secure follow-on funding to complete recommended HVAC *repairs, replacements, and upgrades*.

Ending CalSHAPE and reverting existing program funds this year will not help replenish the General Fund and will provide, at best, negligible benefit to utility ratepayers. Because the program was funded through energy efficiency budget contributions for a fixed 3-year period that [ended in 2023](#), it has no effect on the General Fund or on current utility rates. According to a Senate Budget Subcommittee 2 [analysis](#), reversion will yield savings of only “\$2 per month for one year for San Diego Gas & Electric ratepayers, \$1.25 per month for one year for SoCal Edison ratepayers, and \$0.20 per month for one year for Pacific Gas & Electric ratepayers.” These minimal, short-term savings assume that IOUs pass reverted funds on as refunds to ratepayers, which is [not guaranteed](#).

At the same time, failing to extend CalSHAPE during this year’s budget process will have significant negative impacts:

- Hundreds of schools will miss out on functional, energy-efficient HVAC that can help keep thousands of students and staff [healthy, in school](#), and [ready to learn](#)¹
- Projects already underway may not be completed due to the [unusually short timeline](#), which leaves little margin for ordinary construction delays, let alone supply chain disruptions, exposing affected school districts to budgetary pressures, unfinished work, and disputes
- Program oversight and accountability may suffer due to [insufficient time](#) for review, corrections, audits, and impact assessment

¹ This approximation of impact is based on the [existing cohort](#) of 172 schools that were able to apply before the abrupt mid-2024 closure of applications and obtain around \$136 million in follow-on funding to complete HVAC repairs, replacements, and upgrades recommended in initial HVAC assessments.

Contrary to the Department of Finance's [assertion](#), Proposition 2 will not offset these impacts. All Proposition 2 modernization funds are [already committed](#), due to a [substantial backlog](#) from the last statewide school facilities bond. Moreover, the bond—which provides [60-65% matching funds](#), not 100% grants—is [less targeted and less equitable](#) than CalSHAPE. In fact, the State is currently [facing a lawsuit](#) alleging that the bond favors well-resourced school districts and violates students' state constitutional right to an equal education. Extending CalSHAPE, and deploying its remaining funds, is the only viable mechanism to help schools fix known HVAC deficiencies.

Absent prompt legislative action, a critical opportunity to strengthen California schools and uplift the students, staff, and communities they serve will be lost. For these reasons, we urge you to pass an [amended version](#) of TBL RN 26 09129 by July 1, to ensure remaining CalSHAPE funds reach the schools that most need them.

Thank you for your leadership.

Sincerely,



UndauntedK12
Jonathan Klein
CEO and Co-founder



Clean Air Allies
JuNelle Harris
Co-Founder



Ten Strands
Andra Yeghoian
Chief Innovation Officer



Natural Resources Defense Council (NRDC)
Ericka Flores
Clean Energy and Equity Advocate



A Union of Educators & Classified Professionals

California Federation of Teachers
Mitch Steiger
Legislative Representative

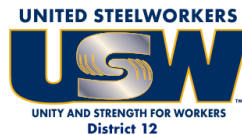


SCHOOL ENERGY COALITION

School Energy Coalition
Nancy Chaires Espinoza
Executive Director and Legislative Advocate



United Steelworkers 675
Dave Campbell
Field Director



United Steelworkers District 12
Catherine Houston
Rapid Response and Legislative Coordinator



California Association of School Business Officials (CASBO)
Mishaal Gill
Director of Policy and Advocacy



Coalition for Adequate School Housing
Ian Padilla
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Sacramento Splash
Mackenzie Wieser
CEO



Temecula Valley Unified School District
Greg Page
Energy Management Specialist



West Sonoma County Union High School District
Jennie Bruneman
Director of Facilities, Bond & Technology



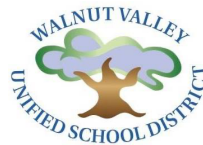
Pioneer Union Elementary School District
Shelley Leal
Asst. Supt, Fiscal Services



Escalon Unified School District
Kristin Tiger
Chief Business Official



Torrance Unified School District
Keith Butler, Ph.D.
Deputy Superintendent



Walnut Valley Unified School District
Matt Torres
Deputy Superintendent



California Labor for Climate Jobs
Norman Rogers
Union Member Representative



California Nurses for Environmental Health and Justice
Vanessa Forsythe
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New Buildings Institute
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Lawndale Elementary School District
Howard Ho
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cc: Nichole Muñoz-Murillo, Chief Deputy Legislative Secretary, Office of Governor Gavin Newsom
Brooks Allen, Executive Director, State Board of Education
Debra Brown, Senior Policy Advisor, State Board of Education
Jessica Holmes, Program Budget Manager, Education Systems Unit, Department of Finance