



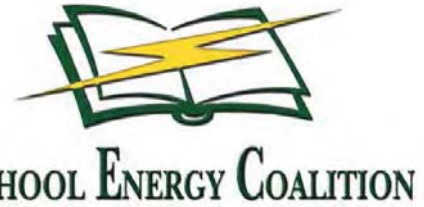
**UNDAUNTEDK12**  
Climate-resilient schools. Future-ready students.

**CASBO**  
Smart business. Smart schools.™

A Union of Educators & Classified Professionals



**CLEAN AIR**  
Allies



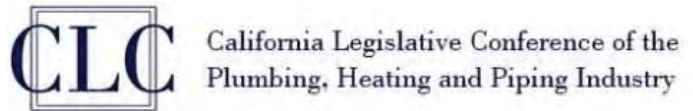
SUSTAINABLE  
MARIN SCHOOLS

**gogreen**  
INITIATIVE

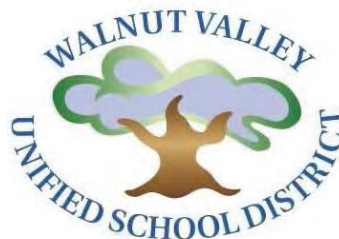


REGIONAL ASTHMA  
MANAGEMENT & PREVENTION  
Working together to reduce the burden of asthma

**nbi** new buildings  
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**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](#)<sup>1</sup>
- 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

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<sup>1</sup> 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**  
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Executive Director and Legislative Advocate



**United Steelworkers 675**  
Dave Campbell  
Field Director



**United Steelworkers District 12**  
Catherine Houston  
Rapid Response and Legislative Coordinator



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Legislative Advocate



**Sacramento Splash**  
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CEO



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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  
Policy Committee Leadership Council Member



**New Buildings Institute**  
Reilly Loveland  
Associate Director

**The 2035 Initiative, UC Santa Barbara**  
Leah Stokes  
Associate Professor and Policy Director



**Go Green Initiative**  
Jill Buck, M.S., Ed.  
CEO



**Sustainable Marin Schools**  
Erica Durwood  
Program Manager



**Children Now**  
Kelly Hardy  
Senior Managing Director



**Regional Asthma Management and Prevention**  
Brandon Kitagawa  
Senior Policy Associate



**Environment California**  
Laura Deehan  
State Director



**Climate Action Campaign**  
Serena Pelka  
Senior Policy Advocate



**East Area Progressive Democrats (EAPD)**  
Hans Johnson  
President



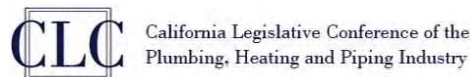
**La Canada Unified School District**  
Melissa Shepherd  
Assistant Superintendent, Business and Operation



**Asthma and Allergy Foundation of America**  
Kenneth Mendez  
CEO, President



**Lawndale Elementary School District**  
Howard Ho  
Assistant Superintendent of Business



**California Legislative Conference of the Plumbing, Heating and Piping Industry**  
Eddie Bernacchi  
Director



**Community Environmental Council**  
Em Johnson  
Director of Climate Programs



**Livermore Valley Joint Unified  
School District**  
Kayla Wasley  
Assistant Superintendent of Business  
Services

*Kayla Wasley*



**Western States Council of Sheet  
Metal Workers**  
Vince Sugrue  
State Legislative Director, SMART,  
Sheet Metal Workers' Local 104

*Vince Sugrue*



**SPUR**  
Colleen Corrigan  
Sustainability and Resilience Policy  
Manager

*Colleen Corrigan*

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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