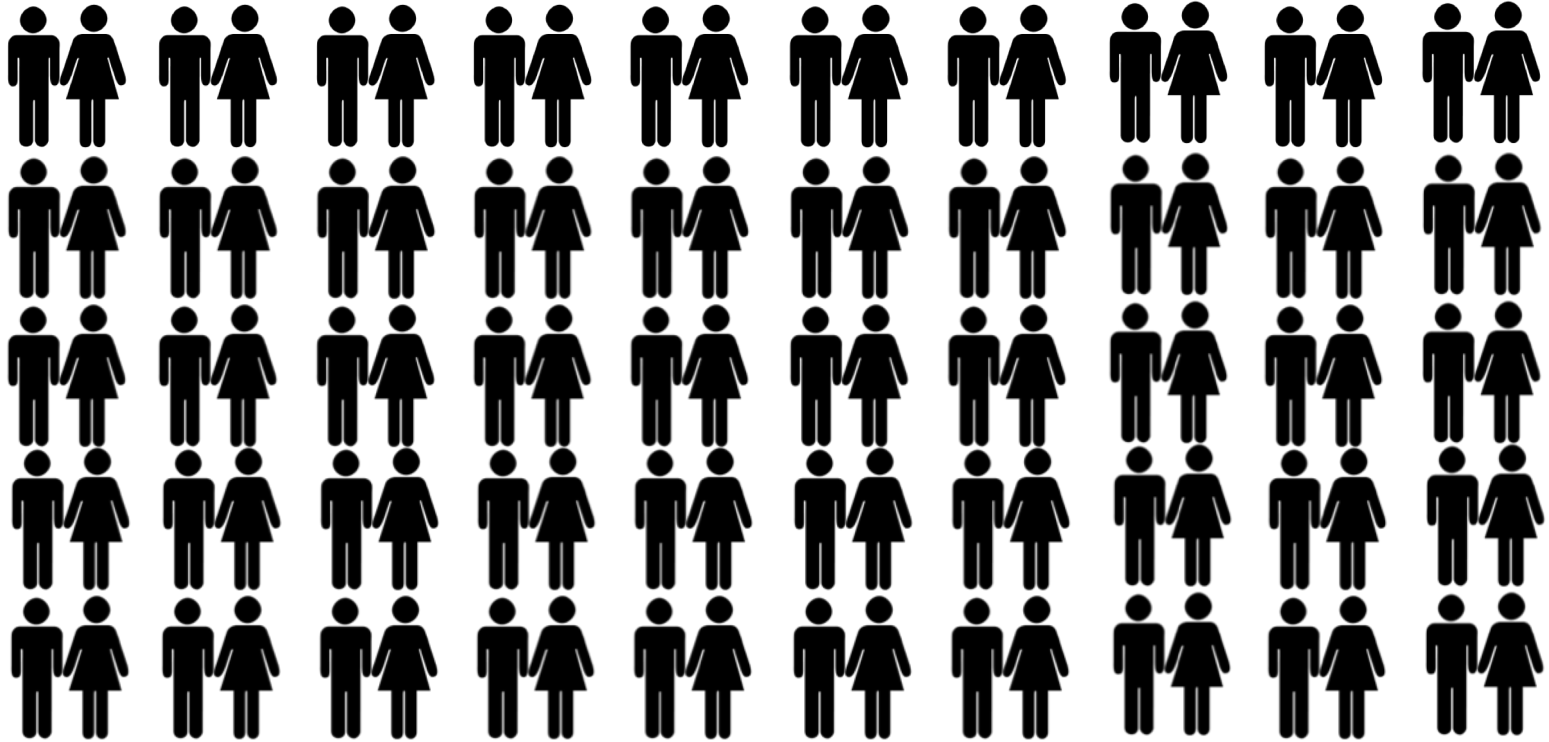Community College League of California

Student Trustee Workshop

League Government Relations Update
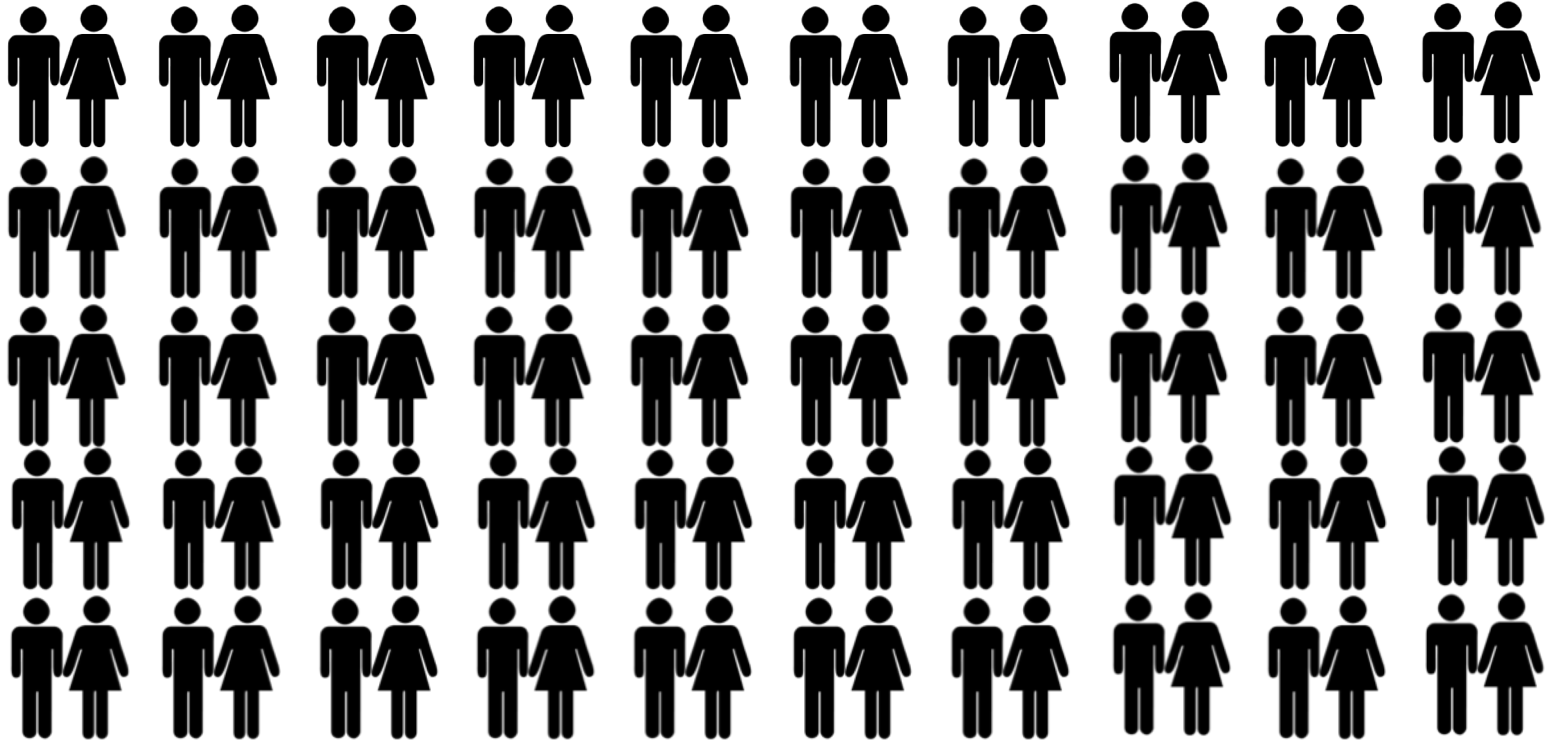
2,752,530

WE
Serve California's College Students!

74% at California's Community Colleges

How Can We Leverage Our Collective Voice?

Advocacy!

- *League's Advocacy Focus & Timeline*

- *Federal Priorities*

- *State Budget Context & Update*

- *Legislative Tools*

- *Your Role in Advocacy*

- *Q & A*

What is the League?

- The League promotes student access and success by strengthening colleges through leadership development, advocacy, policy development, and district services.

- Two policy boards – the California Community College Trustees (CCCT), and the CEOs of the California Community Colleges (CEOCCC)

- Represent 114 colleges, 448 trustees and 136 CEOs.

Why Is Advocacy Necessary?

- Role and influence of governor and Legislature over community colleges have increased with Proposition 13 and Proposition 98.

- Bulk of community college funding comes through the state budget process.

- Legislature sets policy for California Community Colleges.

Three Areas of Advocacy

State Budget

State Legislation

Federal Issues

League Advocacy Timeline

By January 10th of each year, the Governor released the state budget proposal.

Governor's Budget

Budget Committee Hearings

Assembly and Senate begin hearings with public testimony on the proposed budget.

Governor releases updated budget proposal based on new revenue and political dynamics.

Governor's May Revision

January	February	March	April	May

Annual federal advocacy trip to Washington, DC.

National Legislative Summit

Bill Hearings in First House

Hearings on proposed bills begin. Bills have until the end of month to pass out of policy committees.

League Advocacy Timeline

Constitutional deadline to pass budget – Legislators do not receive pay if the budget does not pass.

Budget Deadline

Fiscal Committees

Bills are amended to address costs. If bills are too expensive, they stay on "Suspense" and often die.

League begins planning for next session. Research bill ideas and propose budget augmentations.

Research on Next Year's Budget & Bill Priorities

| June | July | August | Sept. | October |

Policy committee hearings intensify. Committees take letters and public testimony.

Bill Hearings in Second Chamber

End of Session

The Legislature concludes the nine-month legislative session. Most bills that pass will go into effect on January 1st.

Key Events

- **League Legislative Conference**
  - → *Last week in January*

- **National Legislative Summit**
  - → *Second week in February*

- **Annual Trustees Conference**
  - → *First weekend in May*

- **Student Trustee Workshop**
  - → *Mid-August*

Federal Update

Federal Priorities:
Higher Education Act

Below are key principles should be contained within any reauthorization the act.

Pell Grants: Essential to Keeping College Affordable

- ✓ Reinvest Pell Grant surplus back into programs.
- ✓ Index Pell Grant award to inflation.
- ✓ Make students in short term programs eligible for Pell Grants.
- ✓ Simplify FASFA Form
- ✓ Increase Pell Grant eligibility from 12 semesters to 14.

Regulatory Relief: Let Colleges Focus on Education

- ✓ Create a federal six year graduation rate for community colleges.
- ✓ Ensure that any new rules regarding loan default rate contains flexibility for institutions with low numbers of borrowers.
- ✓ Implement a federal student unit record system.
- ✓ Align various reporting and outcome standards

Federal Priorities: Immigration Policies

Federal Government sued California regarding bills impacting immigration policies.

Lawsuit focuses on the below bills:

- SB 54 (de Leon): Prohibits local law enforcement officials from cooperating with ICE.

- AB 103 (Public Safety): Requires state inspection of immigration detention facilities.

- AB 450 (Chiu): Prohibits employers from cooperating with ICE.

AB 21 (Kalra): Model Immigration Polices – Not Impacted

October 15-19, 2018

Undocumented Student Action Week

Day 1: *Social Media Day*.
Tweet/Instagram/Facebook your legislator why DACA and Immigrant Families are an important part of thriving communities.

Day 2: *A Friend In Need Is A Friend Indeed*.
Encourage your friends and family to sign postcards.

Day 3: *Talk the Talk*.

Talk with your community about DACA and its impact on your region.

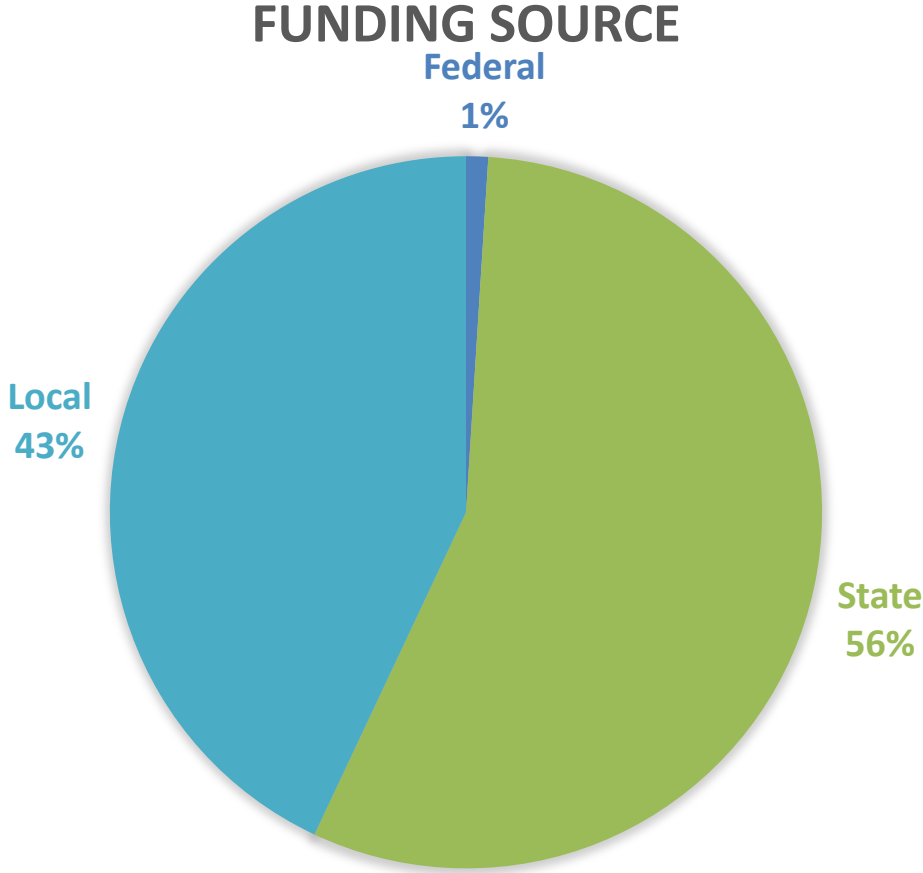Day 4: *Down for the Cause!*

Sign-up/Join an Immigrant Advocacy Group

Day 5: *My Vote, My Voice*.

Urge your congressional member to support a permanent DACA solution. Register to vote!

State Budget Update

Where does a college's money come from?

FUNDING SOURCE

- Federal 1%
- Local 43%
- State 56%

Changing Political Landscape

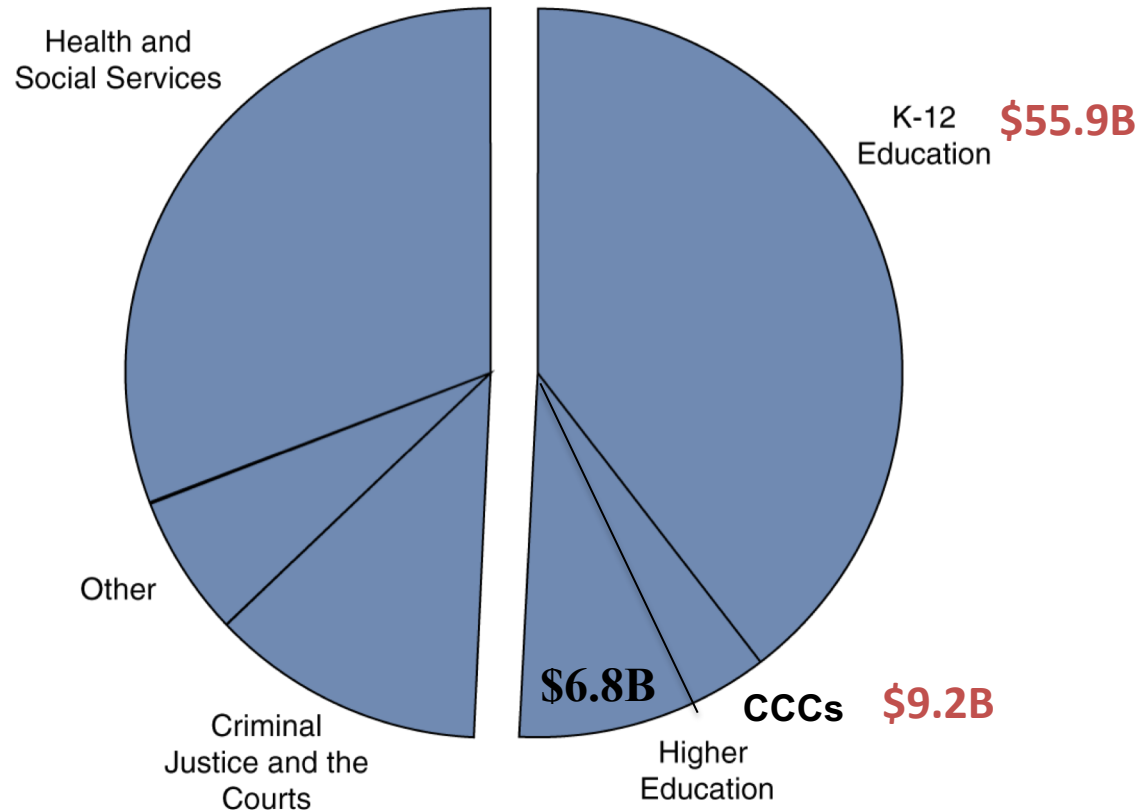**100%** of Assembly Members are serving under the new term-limit laws and post Prop.30/55.

2018 is an election year.

New Senate Pro Tem leader and last year for Governor Brown.

State Budget: The Big Picture

Education makes up half of state spending.

General Fund: $200B

Health and Social Services

K-12 Education **$55.9B**

Other

Criminal Justice and the Courts

$6.8B Higher Education **CCCs** **$9.2B**

Revenue Framework

Revenue Volatility – It's important!

- Top 1% of income earners pay around 40% of income taxes.

- Fraction of PIT paid by 1% of returns with the most income is at an all time high.

- The volatility of capital gains and business income causes these levels to rise and fall.

Comparison to Education Systems

System	Funding Amount
K-12	$12,057
CCC	**$7,984**
CSU	$14,914
UC	$26,162

State Budget: Community College

Budget: Economic Context

- By the end of 2018-19, the rainy day fund will climb to an estimated $13.8 billion
  - It's constitutional maximum level.

- Additional $2 billion estimated balance in state's traditional reserve

- Total reserves under the budget plan exceed $15.9 billion

Budget Recap

Augmentations Receiving Less Attention:

- $46 M in College Promise

- $50 M ongoing for full-time faculty

- $13.5 M one-time, $5 M ongoing for financial aid technology

- $6 M for Open Educational Resources (OER)

- $35 M one-time for Online Education Initiative (OER)

Fund Facilities Projects

Voters Approved!

- In 2016, California voters approved a facilities bond providing a $2 billion infrastructure investment in California's community colleges.

- For the 2018-19 budget, the Governor proposed funding for only <u>six</u> of 14 capital outlay projects.

- Our community colleges have $29.9 billion in unmet facility needs identified in the current Capital Outlay Plan.

The Right Economic Decision

- Waiting to approve worthy projects will increase the costs of these projects.

- Approving the nine unfunded projects would only add about $7.4 million in annual interest costs over the next 30 years.

- Funding all 14 projects is only 20% of the total bond authority granted by Prop 51.

AB 19 College Promise

- The budget provides $46 million to fund the fee waiver program established by (AB 19, Santiago).

- AB 19 authorizes fee waivers for all resident first-time, full-time students.

- The legislation allows colleges to use their program allotments for other purposes, such as providing more student support services.

Financial Aid Consolidation

Aligns CCC Financial Aid Programs Targeting Full-Time Students (12-15 units)

Prop 98 financial aid program of $124 million

Pool of Eligible Students:
Cal Grant B or C award recipients estimated at 60,000 students or about 6% of the total community college student population.

Conditions for a Student Receiving Grants:
Receive a Cal Grant B or C Award
California Resident, including AB 540

Student-Focused Funding

The new community college funding formula represents the most significant change to community college funding in many years.

Key Numbers

9 Districts in stability <u>both</u> current and prior year

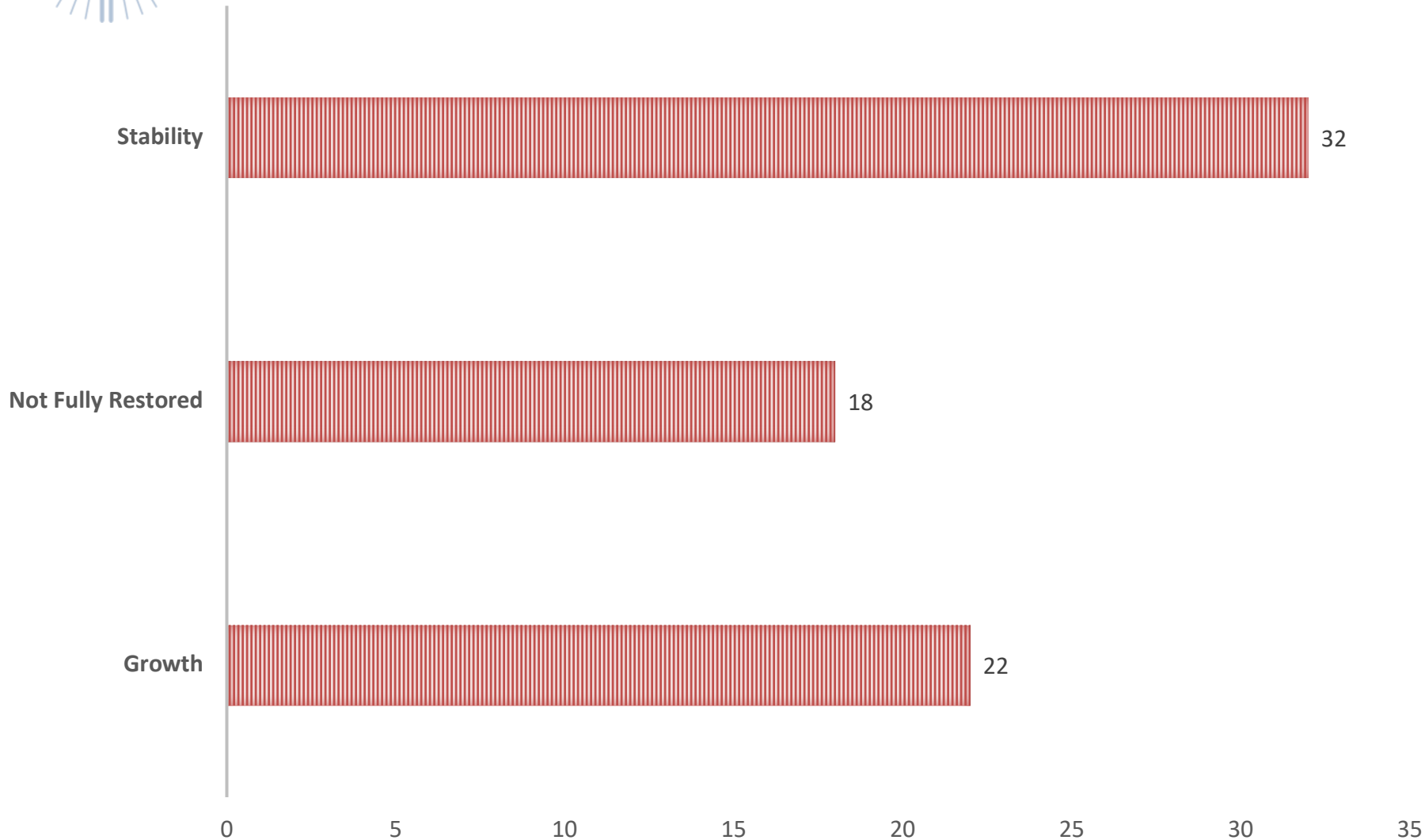**14** Districts with NO Stability in past 2 years

58 Districts in stability in 1 of the past 2 years

$263 million in stability revenue for FY 2016-17
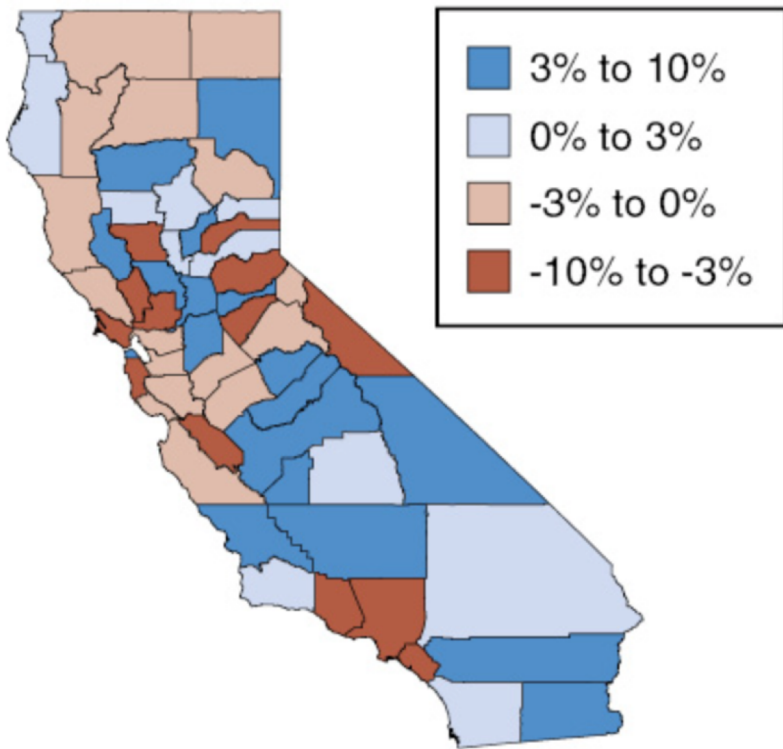
$176 million in stability revenue for FY 2017-18

EFFECTS OF ENROLLMENT-BASED FUNDING FORMULA

K-12 Enrollment

Projected Change, 2015-16 to 2024-25

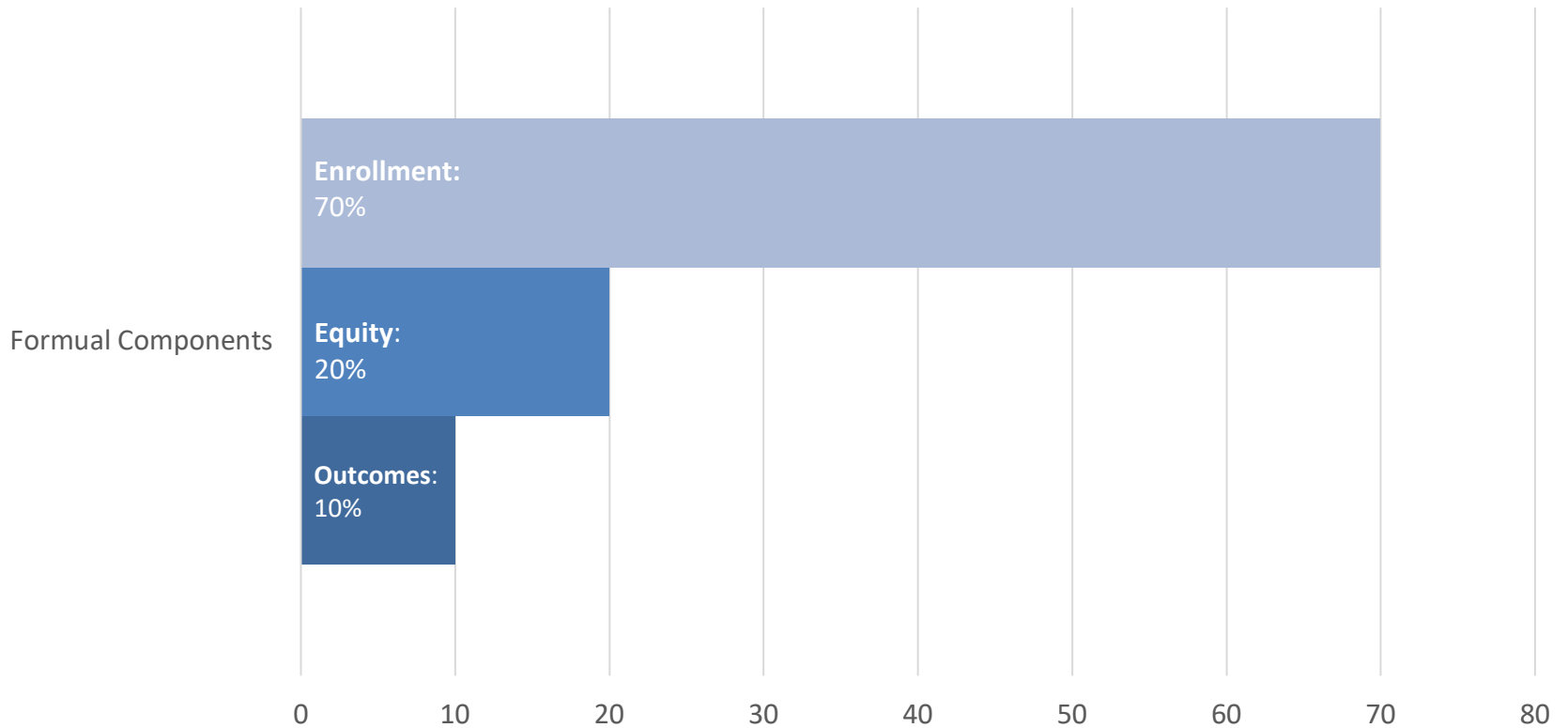Legend:
- 3% to 10%
- 0% to 3%
- -3% to 0%
- -10% to -3%

- Statewide K-12 enrollment is projected to decline by 1 percent from 2015-16 to 2024-25.

- Riverside and Kern Counties are projected to experience the greatest enrollment increases, with gains over the period of 5 percent and 10 percent respectively.

- Los Angeles and Orange Counties are projected to experience the greatest enrollment decreases, with declines over the period of 6 percent and 8 percent respectively.

Source: LAO

Building on Our Commitment to **Access, Equity, and Success**

- Given available revenues, it is the right time to move to a new formula.

- Properly structured and adequately funded, a new funding model has the potential to move to a more accountable, **equity-focused system that aligns to our longstanding work around success**.

- Building institutional capacity requires a <u>substantial infusion of base funding</u> for colleges.

Formula in 2018 Budget Act

Student Focused Funding Formula

	Formual Components
■ Access/Enrollment	70
■ Equity Enrollment	20
■ Outcomes & Equity Outcomes	10

Funding Formula

70% Base → 60%	20% Supplement (Equity)	10% Success → 20%
• Measures FTES enrollment based on a three-year average. • Maintains summer shift flexibilities. • Provides a rural allocation consistent with the current formula. • A district would receive the greater of their past year or current year funding.	• Pell Grant recipient headcount enrollment • Headcount enrollment of ALL students who receive a College Promise Grant fee waiver (formerly known as the BOG Fee Waiver) • AB 540 students per the California Dream Grant application	Progress • Transfer-level mathematics and English within first year Outcomes • AA/AS degree • Transfer to ANY accredited 4-year institution • ADT • Credit certificates 18 units or greater • 9 (CTE) units Wages • Regional living wage after one year

Funding Formula

Other Elements

Hold Harmless Provision/COLA — Establishes a 3-year hold harmless. Districts would be held harmless to 2017-18 levels plus COLA allocated in budget for three years.

Stability – Additional stability provisions that will protect colleges from revenue declines in future years - **each year, a district would receive the greater of their past year or current year funding.**

District Choice – Maintaining summer shift flexibility for districts.

Oversight Committee – Appointment of a 15-member oversight entity to monitor the formula effectiveness. Members selected by Senate Rules, Speaker, and Administration.

Student Equity Achievement Program

- Integrates Student Success & Supports Programs, Student Equity, and Basic Skills
- Maintain focus on student equity
- Integrate and streamline reporting requirements

- Considerations for implementation:
  - No match requirement
  - Single report
  - Driven by Student Equity Plans

Online Education Update

Online College

- Maintains funding at $20 million ongoing and $100 million one-time
- The Compromise modifies the Governor's January proposal with the following:
    - **Governance.** Specifies that the Board of Governors would serve as the governing board of the online community college, and that the Chancellor and Board of Governors would choose the president of the online college.

    - **Collective Bargaining.** The college would partner with an existing district for the purpose of establishing a collective bargaining agreement. The online college's president would retain authority to recommend staff for hire and to assign and direct staff workload.
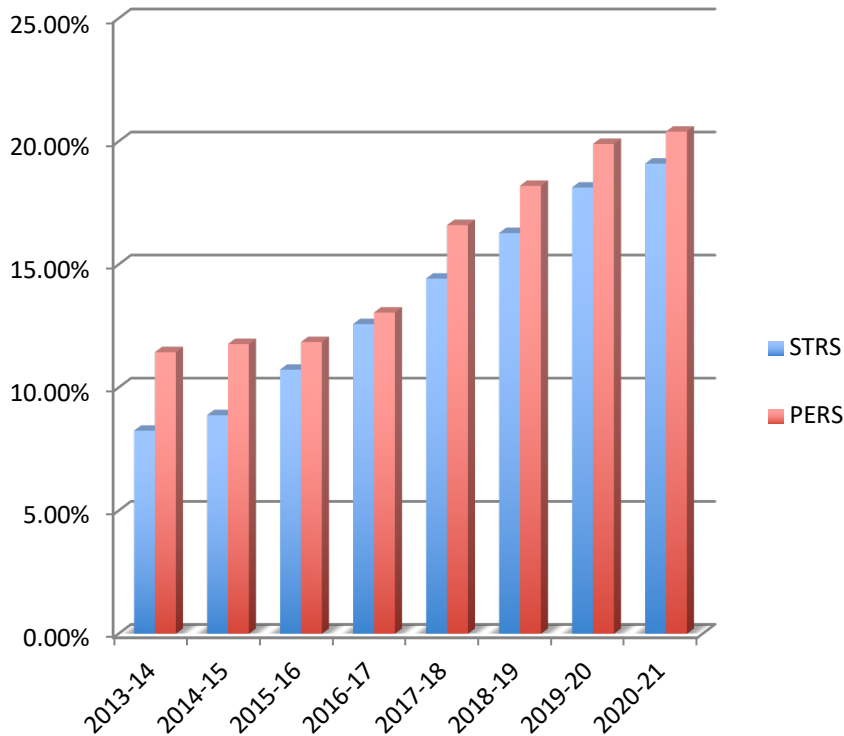
Online College

- **Student Success.** The online college would provide a comprehensive status report in its third year of operation regarding student outcomes.

- **Accreditation.** Establishes a timeline for accreditation by requiring the new college to provide evidence to the Department of Finance and the Legislature that it has achieved accreditation candidacy or pre-accreditation by 2022 and full accreditation by 2025.

- **Curriculum.** Clarifies the intent of the online college is to create unique content and <u>not duplicate content</u> offered by local colleges. The faculty of the online college would also review the OEI protocols for content and adopt them as appropriate. Prohibits the new college from charging fees higher than a traditional college.

OEI & Future of Online

- $35 million one-time Proposition 98 to the Online Education Initiative for competitive grants to community college districts to develop online programs, courses and content.

- Requires the Chancellor's Office to review and make recommendations on (1) noncredit funding rates, and make recommendations to encourage the development of competency-based programs, and (2) the statewide approval process to offer an online course under a flexible calendar.

Buy Down Some Pension Liabilities

Alone, STRS and PERS contribution costs are estimated to increase to approximately $600 million annually by 2021.

- STRS costs are expected to grow from $416 million in 2017-18 to $550 million in 2020-21

- PERS cost are expected to grow from $283 million to $362 million during the same period

- A combined statewide increase of $213 million in period three years

Hold On –
We Have More!

Legislative Tools

2018 Legislative Themes

- Janus vs. AFSCME
- President Trump vs. California
  - Title IX Investigations
  - Immigration
- Labor and Collective Bargaining
  - Mandated Benefits
- Sexual Harassment and the State Legislature
- Election Year

Taking Positions on Bills

- Committees of Interest
  - Assembly Higher Education
  - Senate Education
  - Appropriations

- Draft Letters to Committee
  - Due two weeks before the Hearing
  - Addressed to the Committee Chair
  - Upload online to Committee Staff
  - cc Legislators on the Committee and the League

Legislative Resources

1. Call the League!

2. Check Our Website

3. Sign-Up for our Newsletters

Advocacy
& Your Key Role

Legislators

Want

Local

Context

- How are these resources helping your students?

- What impact will the bill have on individual students in the legislator's district?

- What successful efforts have these funds or policies allowed your college to launch?

- Give specific program examples.

Share Your District's Success Stories!

Effective Local Advocacy

- Invite Legislators to Campus
- Highlight Success Data
  - Economic impact reports
  - Exemplary programs
- Build Coalitions
  - Cities (town & gown)
  - Business (Chambers)
  - Non-profits
- Coordinate with area colleges that share legislators and common concerns.

Legislators want to know the impact, especially if its fiscal, of legislation on their local colleges!

Supporting
Relationship Building

Know Your Legislators

- Knowing your Legislators' backgrounds helps college leaders make a connection and helps communicate with them in a way that makes the college's priorities come across most effectively.

- Research. Do they have connections to your college?

Preparing Materials

- Legislators and their staffs appreciate brevity. Include relevant data when possible.

Planning Legislator Visits to Campus

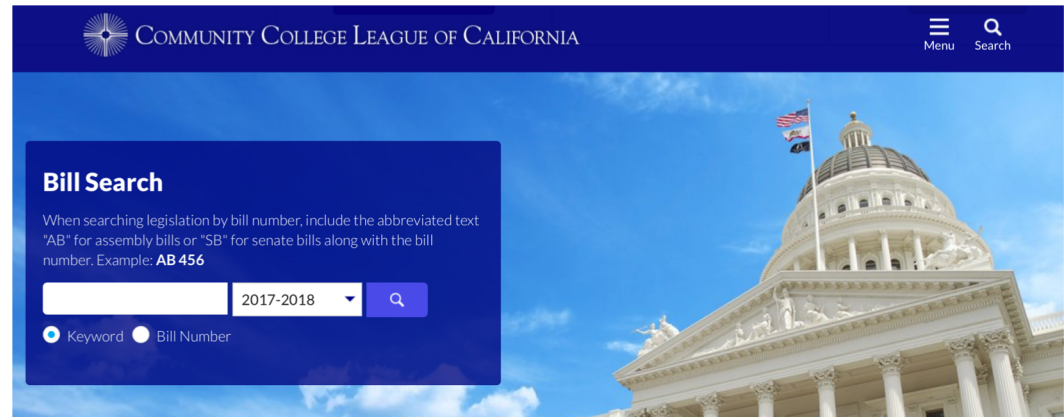***What should the invitation to a Legislator say?***

- Make sure your request is specific, relevant, timely, and that it appeals to the interests of your members.

- Make sure to clearly outline why your request is relevant.

What details should I include?

- Legislative offices want to know basic information. Invitation should also address the 'who,' 'what,' 'when,' and 'where.'

- Ensure that other key campus leaders know about your invitation, and note in the invitation if they or other faculty, staff, or students may be present.

- Provide a basic description of what will occur during the tour or event, and how long it will be.

Stay Connected

- Track Bills on the League website: www.ccleague.org

- Sign-up of the League's monthly GR newsletter

- Catch the League's monthly Legislative Webinars

Questions?

Thank you!

Lizette Navarette

Vice President

lizette@ccleague.org