



# Government Relations Webinar

May 18, 2021





# Budget Update



# Budget Overview

- Macro View on the State Budget
- League Priorities
- Other Higher Education Issues
- Workforce Investments
- Student Services/Academic Programs
- Next Steps





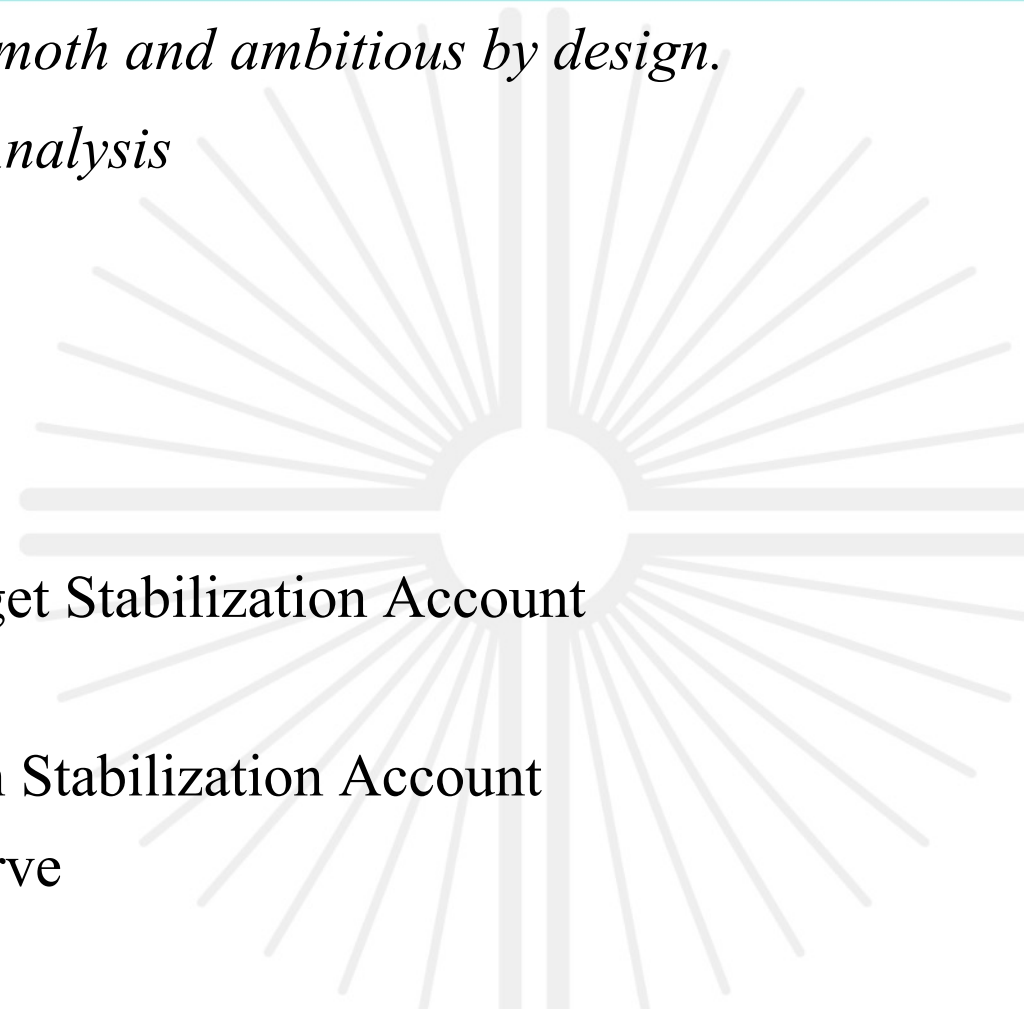


# The Macro View of the State Budget

# State Budget Overview—May Revise

*Governor Newsom's revised budget proposal is mammoth and ambitious by design.*

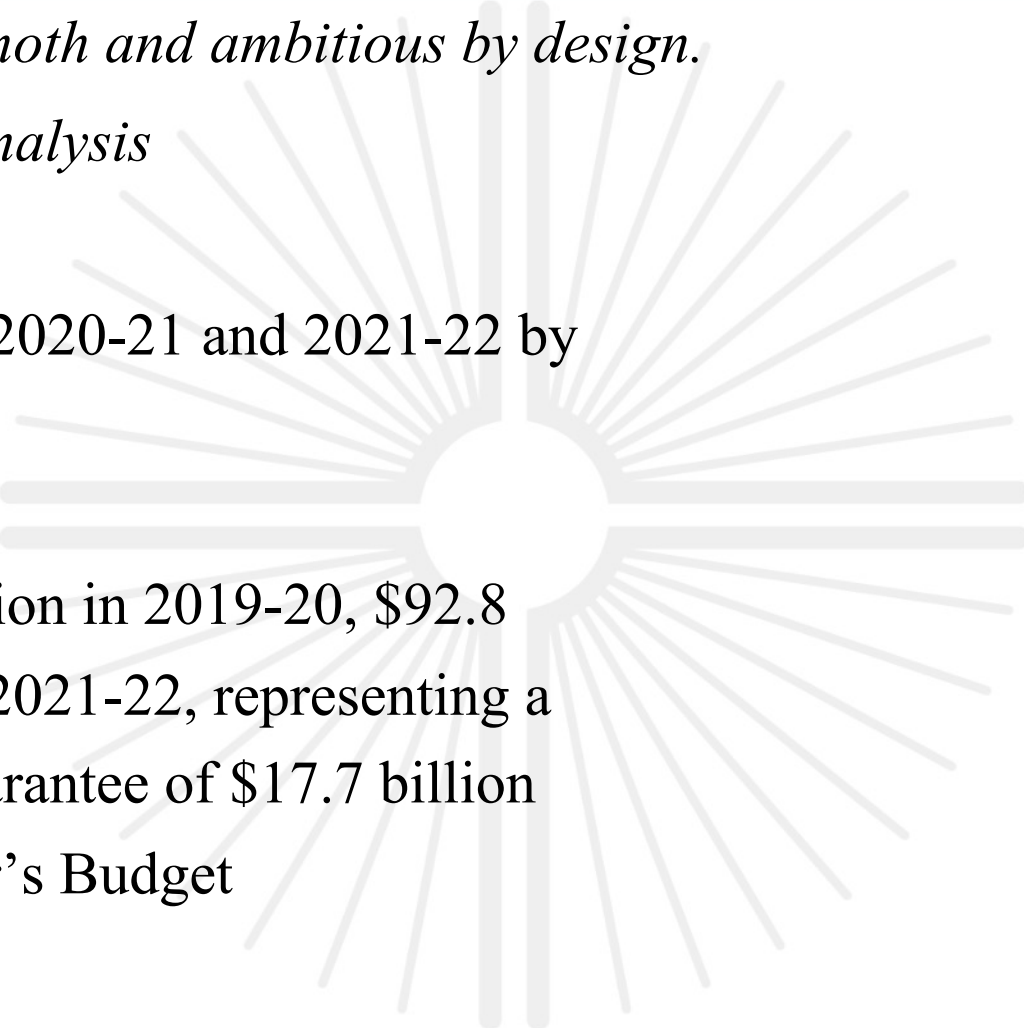
## *Assembly Budget Committee Analysis*

- \$75.7 billion state surplus
  - \$25 billion in federal relief
  - Deposits to reserves:
    - \$15.9 billion in the Proposition 2 Budget Stabilization Account  
(Rainy Day Fund)
    - \$4.6 billion in the Public School System Stabilization Account
    - \$3.4 billion in the state's operating reserve
    - \$450 million in the Safety Net Reserve
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# State Budget Overview—May Revise

*Governor Newsom's revised budget proposal is mammoth and ambitious by design.*

*Assembly Budget Committee Analysis*

- Gann Limit *expected* to be exceeded in 2020-21 and 2021-22 by \$16.2 billion
  - Proposition 98 is estimated at \$79.3 billion in 2019-20, \$92.8 billion in 2020-21, and \$93.7 billion in 2021-22, representing a three-year increase in the minimum Guarantee of \$17.7 billion over the level estimated in the Governor's Budget
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# League Priorities





# League Priorities

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An unallocated increase to the base, or COLA

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Assist with pension obligations

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Pay off deferrals

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Deferred maintenance and instructional equipment

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Multi-year flexibility in one-time funding





# League Priorities

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# Cost-of-Living Adjustment (COLA)

- **January**

- \$111.1 million ongoing Proposition 98 General Fund 1.5% COLA
- Plus \$23.1 million ongoing Proposition 98 General Fund 0.5% enrollment growth

- **May**

- An **increase** of \$185.4 million ongoing Proposition 98 General Fund
- To reflect a compounded cost-of-living adjustment of 4.05 percent
- Represents a 2020-21 cost-of-living adjustment of 2.31 percent
- And a **revised** 2021-22 cost-of-living adjustment of 1.7 percent

# Long-Term Retirement Liabilities

## **STRONG FISCAL FOUNDATION**

**\$10.9 Billion: Retirement Liabilities**

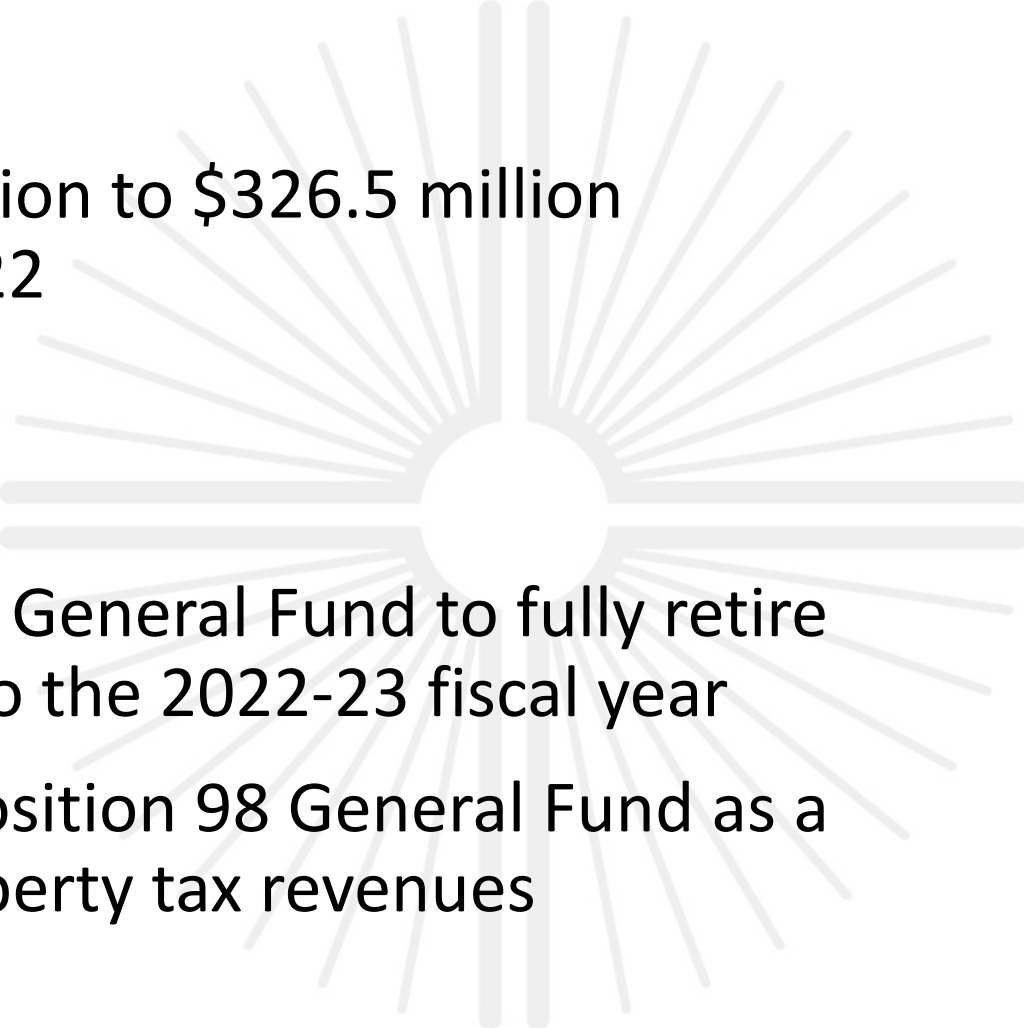
- **\$3.4 Billion:** Additional payments, 2021-2022
- **\$7.9 Billion:** Over next 3 years

# Deferrals

- **January**

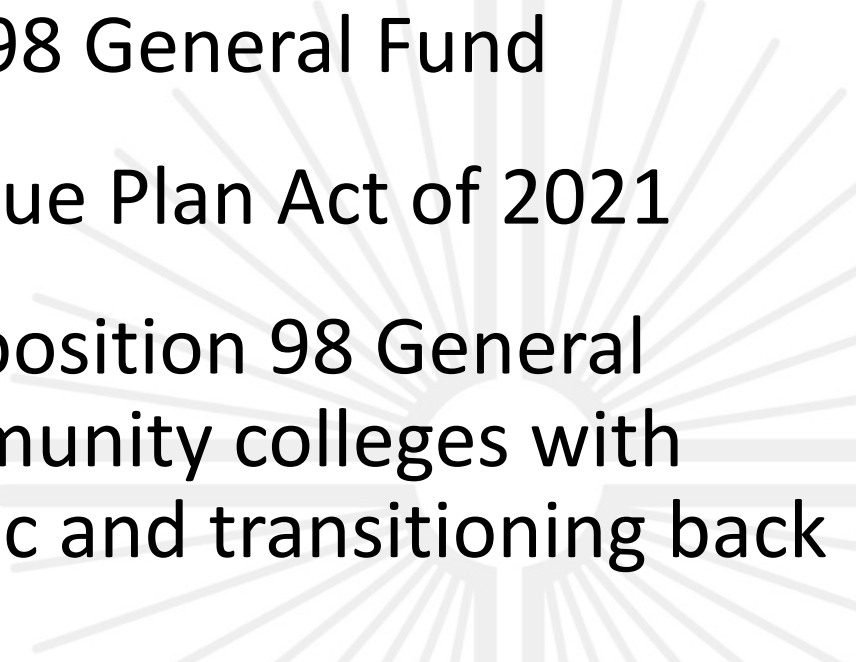
- Reduce deferrals by more than \$1.1 billion to \$326.5 million Proposition 98 General Fund for 2021-22

- **May**

- \$326.5 million one-time Proposition 98 General Fund to fully retire deferrals from the 2021-22 fiscal year to the 2022-23 fiscal year
  - increase of \$62.4 million ongoing Proposition 98 General Fund as a result of decreased offsetting local property tax revenues
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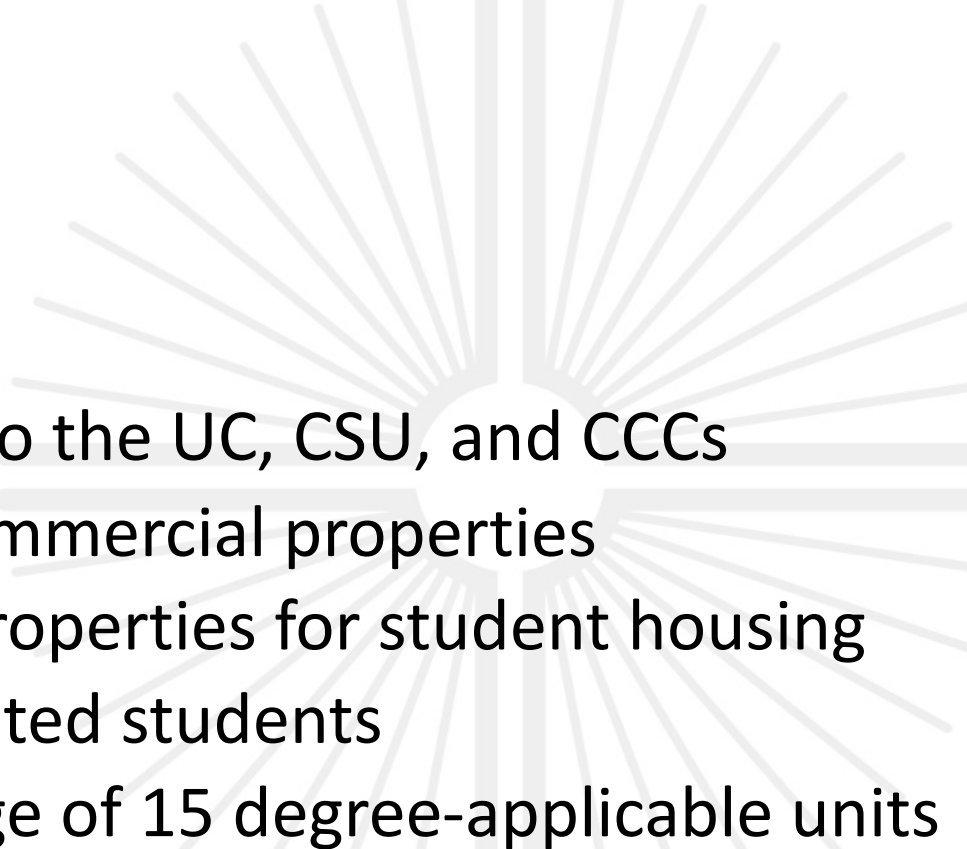
# Deferred Maintenance

- \$314.1 million one-time Proposition 98 General Fund
  - \$250 million one-time American Rescue Plan Act of 2021
  - Increase of \$50 million one-time Proposition 98 General Fund to support grants to assist community colleges with responding to the COVID-19 Pandemic and transitioning back toward in-person education
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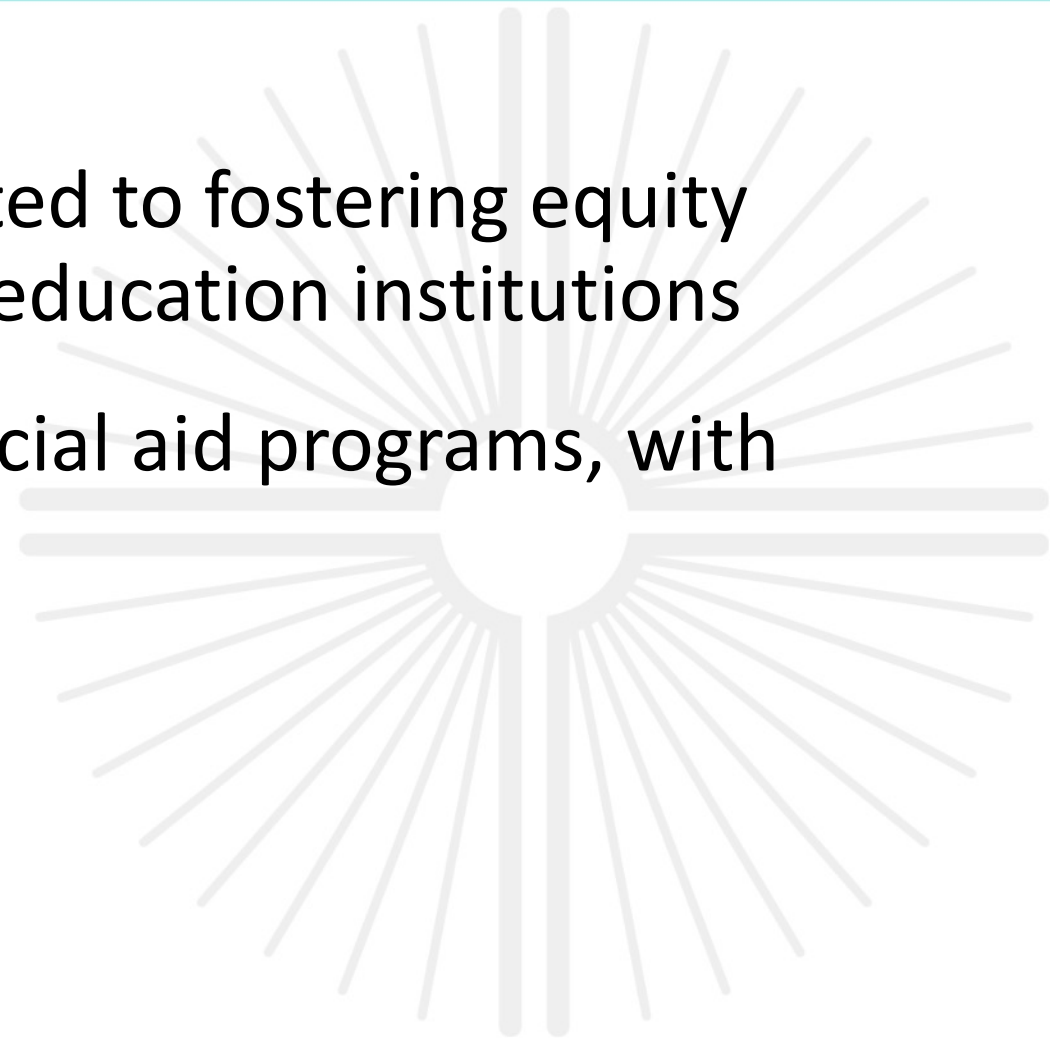
# Other Higher Education Issues

# Student Housing

- \$4 billion one-time General Fund
    - \$2 billion 2021-22 FY
    - \$2 billion 2022-23 FY
  - California School Finance Authority grants to the UC, CSU, and CCCs
  - Build new student housing or to acquire commercial properties
  - Prioritizing the conversion of commercial properties for student housing
  - Prioritizing low-income and under-represented students
  - Requiring student tenants to take an average of 15 degree-applicable units
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# Financial Aid

- The Administration remains committed to fostering equity and access within the State's higher education institutions
- The May Revision maintains all financial aid programs, with only caseload adjustments.








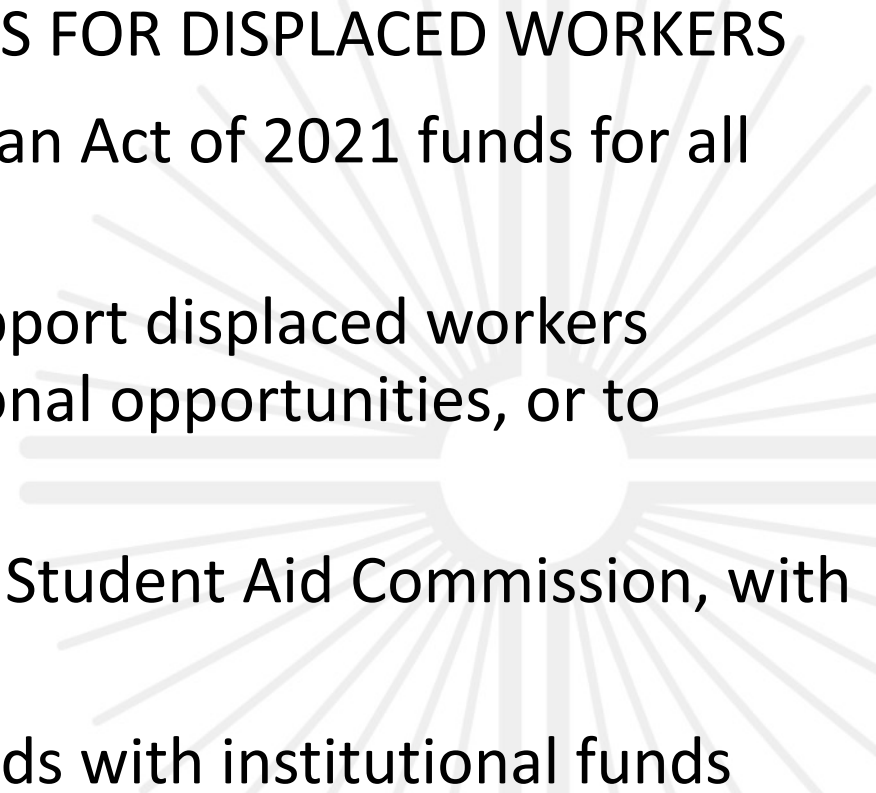
# Workforce Investments

# ADVANCING WORKERS IN A POST-COVID ECONOMY

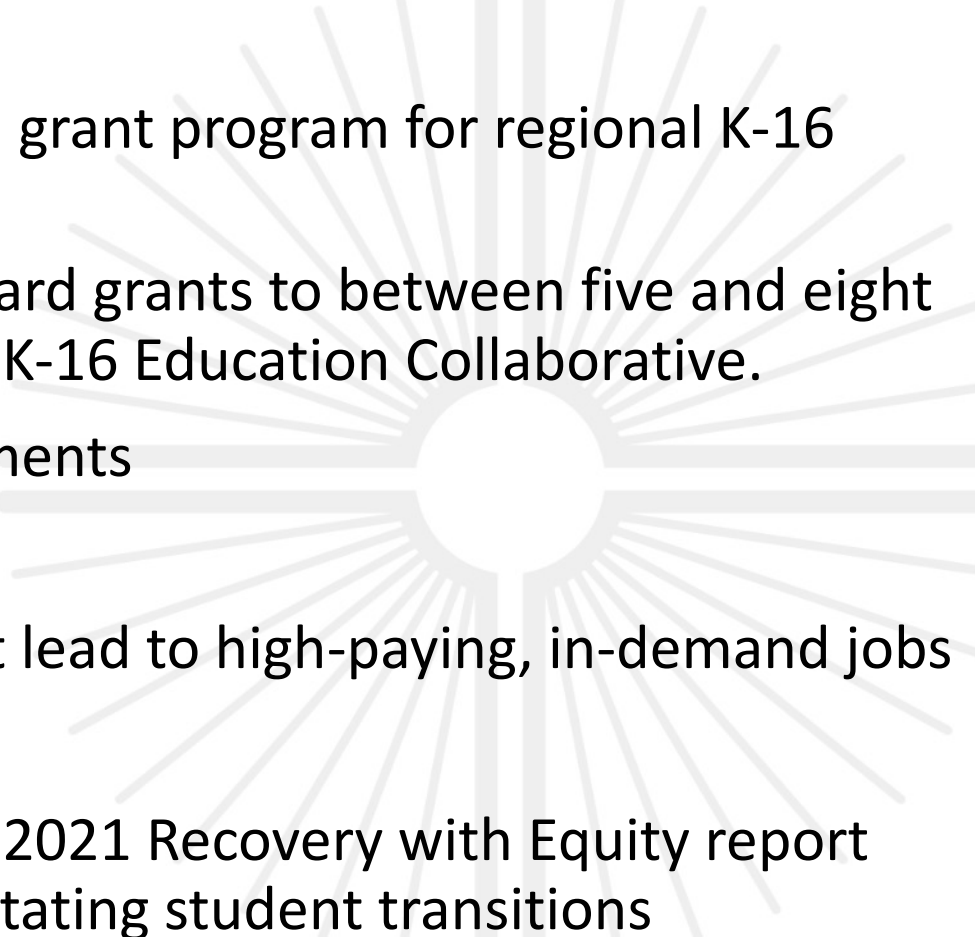
- LEARNING-ALIGNED EMPLOYMENT

- \$1 billion one-time General Fund, split evenly between fiscal years 2021-22 and 2022-23
  - promote learning-aligned, long-term career development for UC, CSU, and CCC students
  - Established as an endowment to sustain ongoing support
  - Strategically focusing campuses toward identifying or establishing partnerships with external employers
  - Prioritizing learning-aligned employment opportunities for underrepresented students, particularly underrepresented students in STEM fields
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# ADVANCING WORKERS IN A POST-COVID ECONOMY

- EDUCATION AND TRAINING SUPPORT GRANTS FOR DISPLACED WORKERS
    - \$1 billion in one-time American Rescue Plan Act of 2021 funds for all three segments
    - CSAC offer one-time grant program to support displaced workers seeking reskilling and up-skilling, educational opportunities, or to support costs to start a business
    - Grant amounts will be determined by the Student Aid Commission, with a minimum amount of \$1,000 per grant
    - Encouraging segments to match grant funds with institutional funds
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# ADVANCING WORKERS IN A POST-COVID ECONOMY

- REGIONAL K-16 EDUCATION COLLABORATIVES
    - \$250 million one-time General Fund set aside to a grant program for regional K-16 collaboratives
    - Governor's Office of Planning and Research to award grants to between five and eight regional collaboratives, modeled after the Fresno K-16 Education Collaborative.
    - Include at least one institution from all three segments
    - Must consider regional workforce needs
    - Focus on streamlining occupational pathways that lead to high-paying, in-demand jobs
    - Align higher education with workforce needs
    - Must adopt recommendations from the February 2021 Recovery with Equity report related to fostering inclusive institutions and facilitating student transitions
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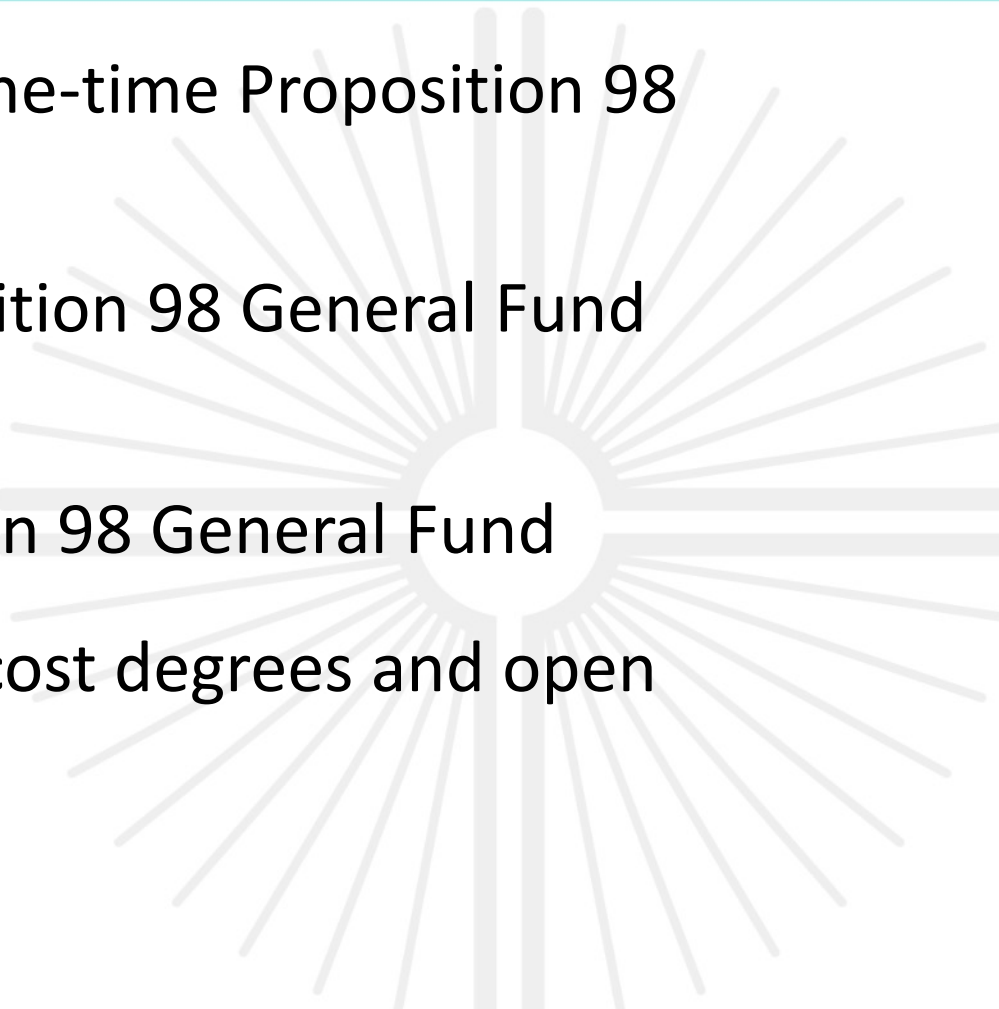
# WORKFORCE-FOCUSED INVESTMENTS: CCC Specific

- High Road Training Partnerships and Regional Partnerships—increase of \$20 million one-time Proposition 98 General Fund.
- CCC Strong Workforce—increase of \$12.4 million ongoing Proposition 98 General Fund to increase program funding by five percent.
- Work-Based Learning—increase of \$10 million one-time Proposition 98 General Fund to develop work-based learning opportunities in (1) cloud computing and (2) zero emissions and supply chain fields.
- Competency-Based Education Pilot—increase of \$10 million one-time Proposition 98 General Fund to pilot implementation of competency-based education at select community colleges.
- CCC Registry Modernization—An increase of \$1 million one-time Proposition 98 General Fund to support the modernization of the CCC Registry, an online database of job opportunities.

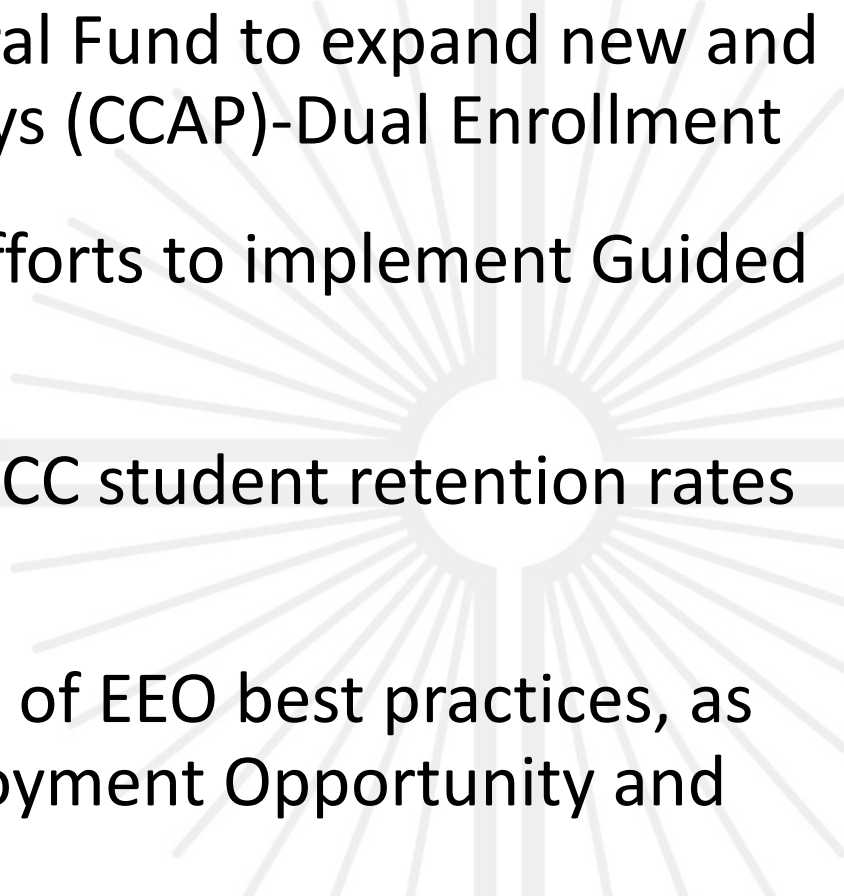


# Student Services/ Academic Programs

# Zero-Textbook-Cost Degree (ZTC) Grant Program (One-Time)

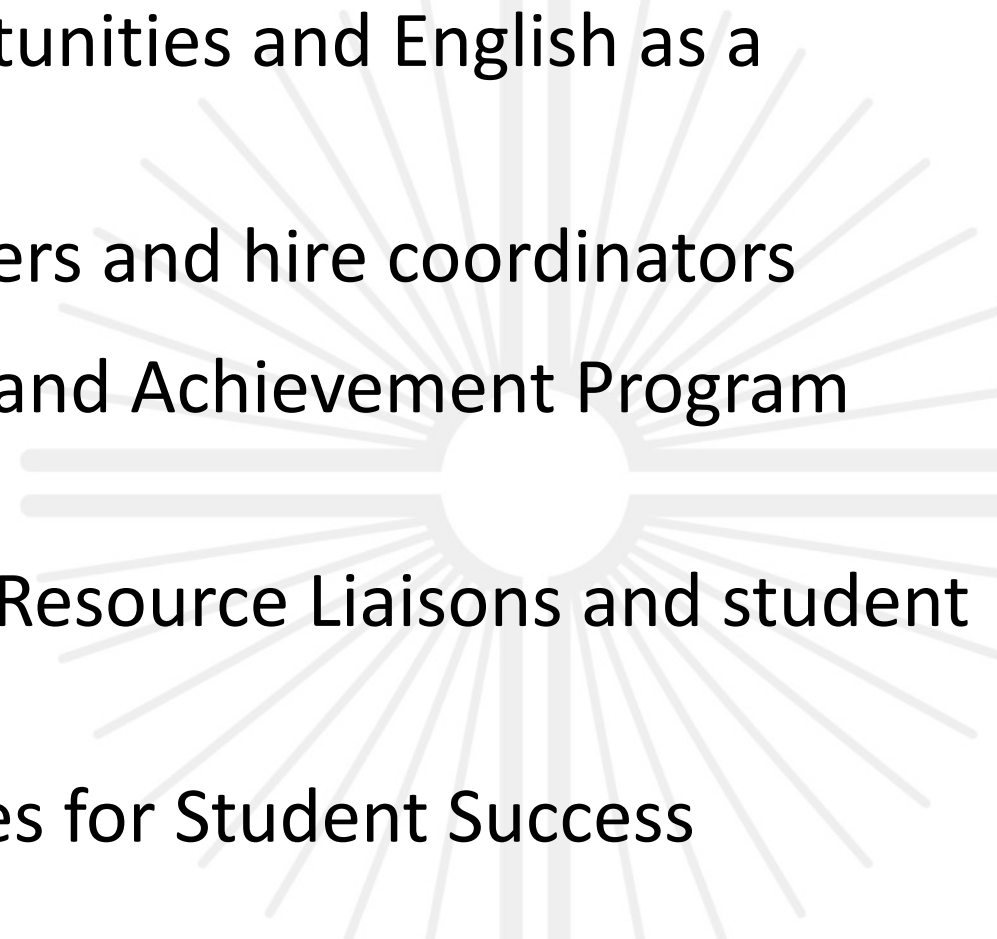
- The May Revision proposes \$100 million one-time Proposition 98 General Fund
  - In addition to \$15 million one-time Proposition 98 General Fund proposed in the Governor's Budget
  - A total of \$115 million one-time Proposition 98 General Fund
  - To develop and implement zero-textbook-cost degrees and open educational resources
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# Student services/Academic Programs: One Time Prop 98 General Fund

- \$75 million one-time Proposition 98 General Fund to expand new and existing College and Career Access Pathways (CCAP)-Dual Enrollment
  - \$150 million to further support colleges' efforts to implement Guided Pathways programs
  - \$100 million to support efforts to bolster CCC student retention rates and enrollment
  - \$20 million to support the implementation of EEO best practices, as developed by the Chancellor's Equal Employment Opportunity and Diversity Advisory Committee
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# Student Services/Academic Programs: Ongoing Prop 98 General Fund

- \$50 million for vocational training opportunities and English as a Second Language (ESL) programs
  - \$30 million to establish basic needs centers and hire coordinators
  - \$23.8 million to increase Student Equity and Achievement Program funding by five percent
  - \$5.8 million to further support Dreamer Resource Liaisons and student support services
  - \$27.2 million to support revised estimates for Student Success Completion Grant
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# Technology Investments

- Program Pathways Technology—An increase of \$10 million ongoing Proposition 98 General Fund for the systemwide acquisition of software to assist students with their curricular pathways
- Common Course Numbering—An increase of \$10 million one-time Proposition 98 General Fund to plan for and begin developing a common course numbering system throughout the community college system
- Library Services Platform—An increase of \$4 million ongoing Proposition 98 General Fund to support a systemwide technology platform



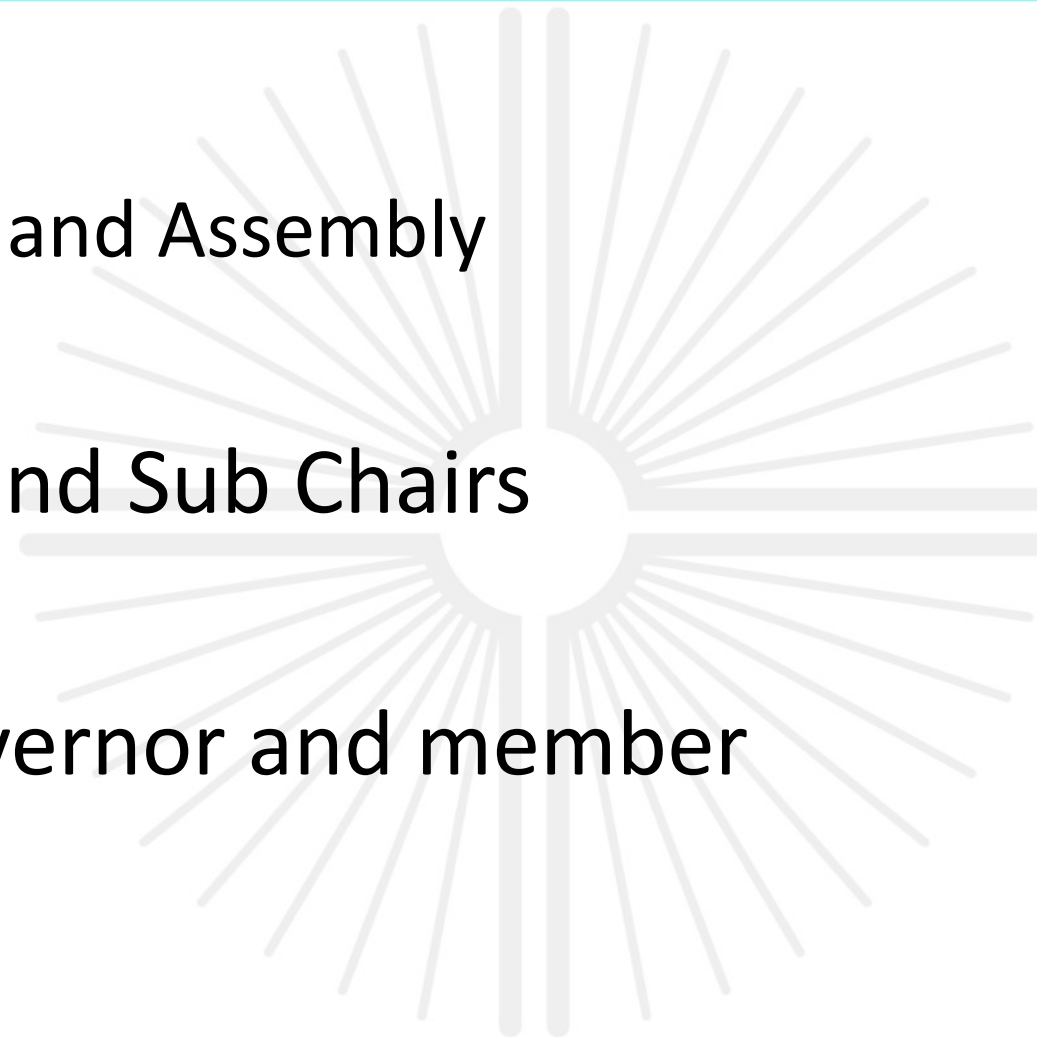
# Next Steps



# How you can help

## **In next two Weeks**

- Engage your members of the Senate and Assembly
  - Use the League's talking points
- Send letter to the Budget Chair and Sub Chairs
  - Use League's letter template
- Post on social media tagging Governor and member
  - Thank Governor and Members





# Advocating for an E-Shaped Recovery



Economic recovery starts with **Equity**.

And it starts **right now**.

When we invest in **California Community Colleges**, we all advance.



COMMUNITY  
COLLEGE LEAGUE  
OF CALIFORNIA

#EquityinEducation  
#EShapedRecovery



# QUESTIONS

Please insert your questions in the chat







# Legislative Update



# Senate and Assembly Appropriations Committees

- All legislation with a fiscal cost must pass out of either the Senate or Assembly Appropriations Committees by May 21<sup>st</sup>.
- Intended to consider the overall context of approved spending.
- Theoretically focused on fiscal implications of bills.





# Senate and Assembly Appropriations Committees



- Opportunity for leadership to amend bills outside of the policy committee process.
- Will likely see a number of bills held in each committee or significantly amended to reduce costs.
- Vast majority of community college-related legislation are in these committees

# Bills for Discussion:

## **League Priority Bills:**

- AB 102 (Holden) Dual Enrollment
- AB 927 (Medina) BA Degrees
- AB 1456 (Medina) Financial Aid Reform

## **Academic Affairs:**

- AB 928 (Berman) ADTs and Transfer
- AB 1040 (Muratsuchi) Ethnic Studies

## **Basic Needs:**

- AB 775 (Berman) Basic Needs Centers
- AB 1326 (Arambula) County Liaisons

## **Collective Bargaining:**

- AB 275 (Medina) Classified Employees
- AB 375 (Medina) Part-Time Faculty Load
- AB 438 (Reyes) Classified Employees: Layoff Notices and Hearings
- SB 205 (Leyva) Employee Sick Leave

## **Housing:**

- AB 306 (O'Donnell) Student and Employee Housing
- AB 1377 (McCarty) College Student Housing

# League Priority Bills:

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## AB 102 (Holden) Dual Enrollment

## AB 927 (Medina) BA Degrees

### **AB 102 (Holden) Dual Enrollment**

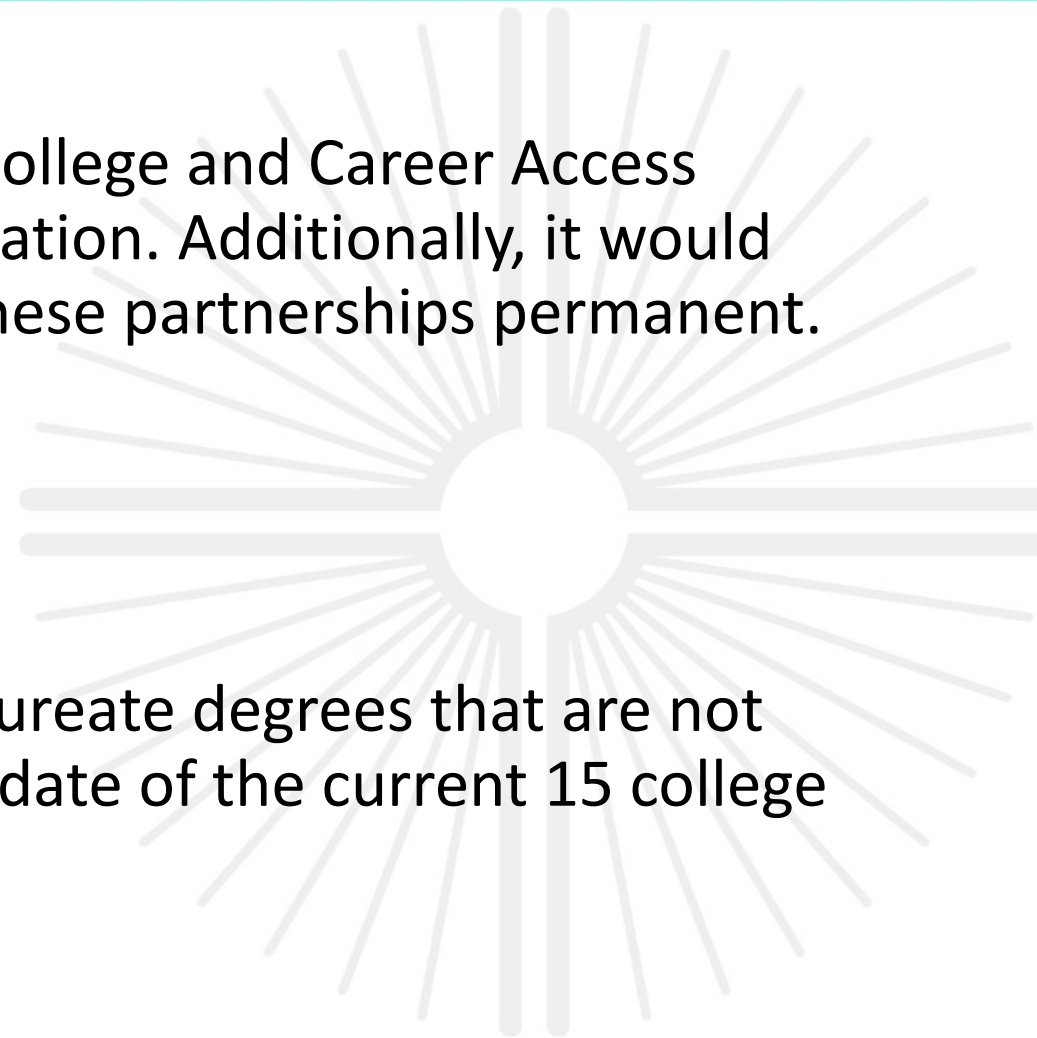
Would extend the ability of colleges to enter into College and Career Access Pathways partnerships with County Offices of Education. Additionally, it would remove the current sunset date, thereby making these partnerships permanent.

**Location:** Assembly Education Committee

### **AB 927 (Medina) BA Degrees**

Would permit community colleges to offer baccalaureate degrees that are not offered by the UC and CSU and remove the sunset date of the current 15 college program.

**Location:** Assembly Appropriations Committee



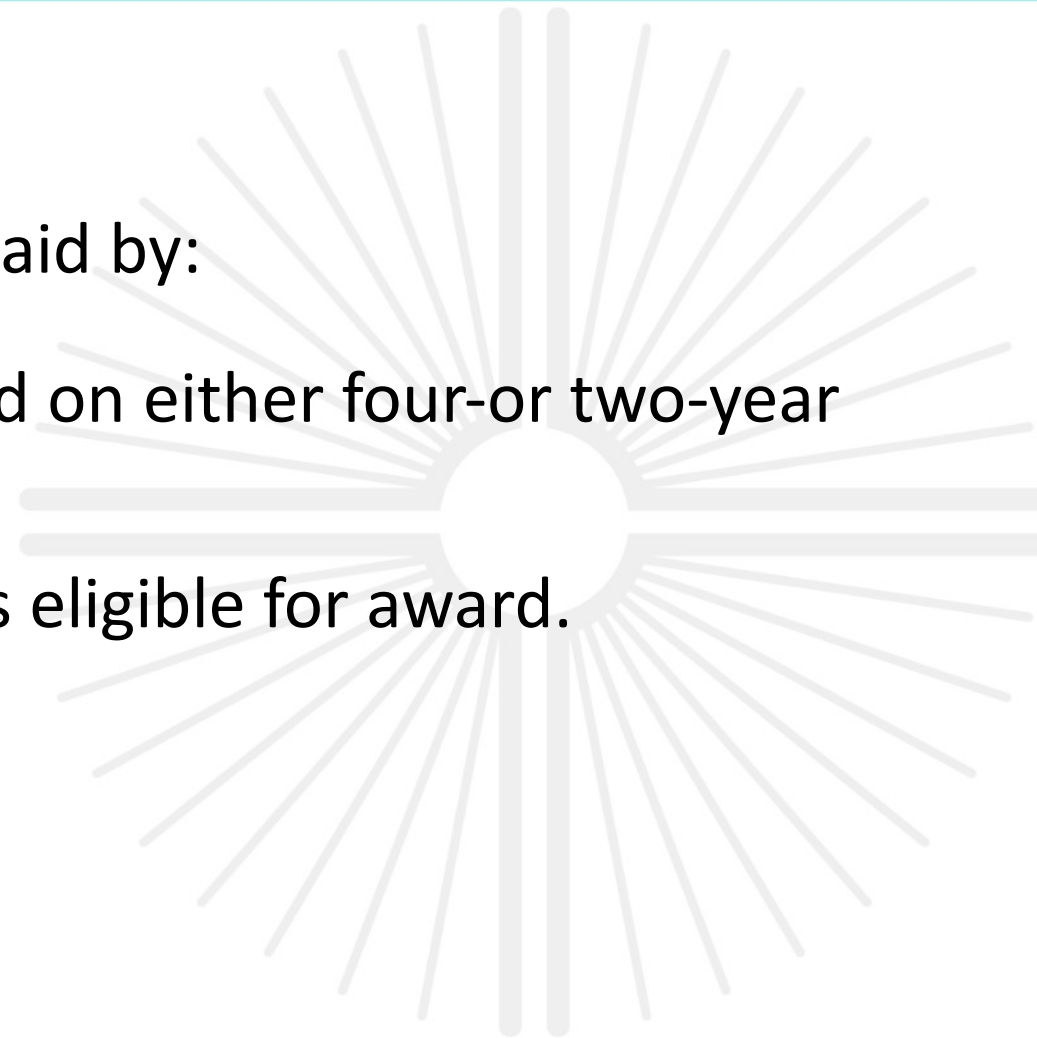
# League Priority Bills: AB 1456 (Medina) Financial Aid Reform

## **AB 1456 (Medina) Financial Aid Reform**

Would reform the state's system of financial aid by:

- Creating two new Cal Grant Awards focused on either four-or two-year students.
- Significantly expanding number of students eligible for award.
- Two-year award focused on access costs.

**Location:** Assembly Suspense File





# Academic Affairs:

## AB 928 (Berman) Transfer

## AB 1040 (Muratsuchi) Ethnic Studies

### **AB 928 (Berman) Transfer**

Introduced in order to smooth out the ADT approval, adoption, and utilization process, this bill would:

- Create a committee made up of stakeholders, activist groups, researchers, and representatives from the UC, CSU, and community colleges to make recommendations to the legislature on how to increase the use of ADTs.
- Require the UC and CSU to adopt one unified transfer pathway.
- Require community college students to be automatically enrolled into an ADT program. Those who intend to transfer to the UC or prefer a traditional AA would need to opt out.

**Location:** Assembly Suspense File

### **AB 1040 (Muratsuchi) Ethnic Studies**

Would require students at a community college to take a 3-unit ethnic studies course in order to graduate.

**Location:** Assembly Suspense File

## Basic Need:

AB 775 (Berman) Basic Needs Centers

AB 1326 (Arambula) County Liaisons

### **AB 775 (Berman) Basic Needs Centers**

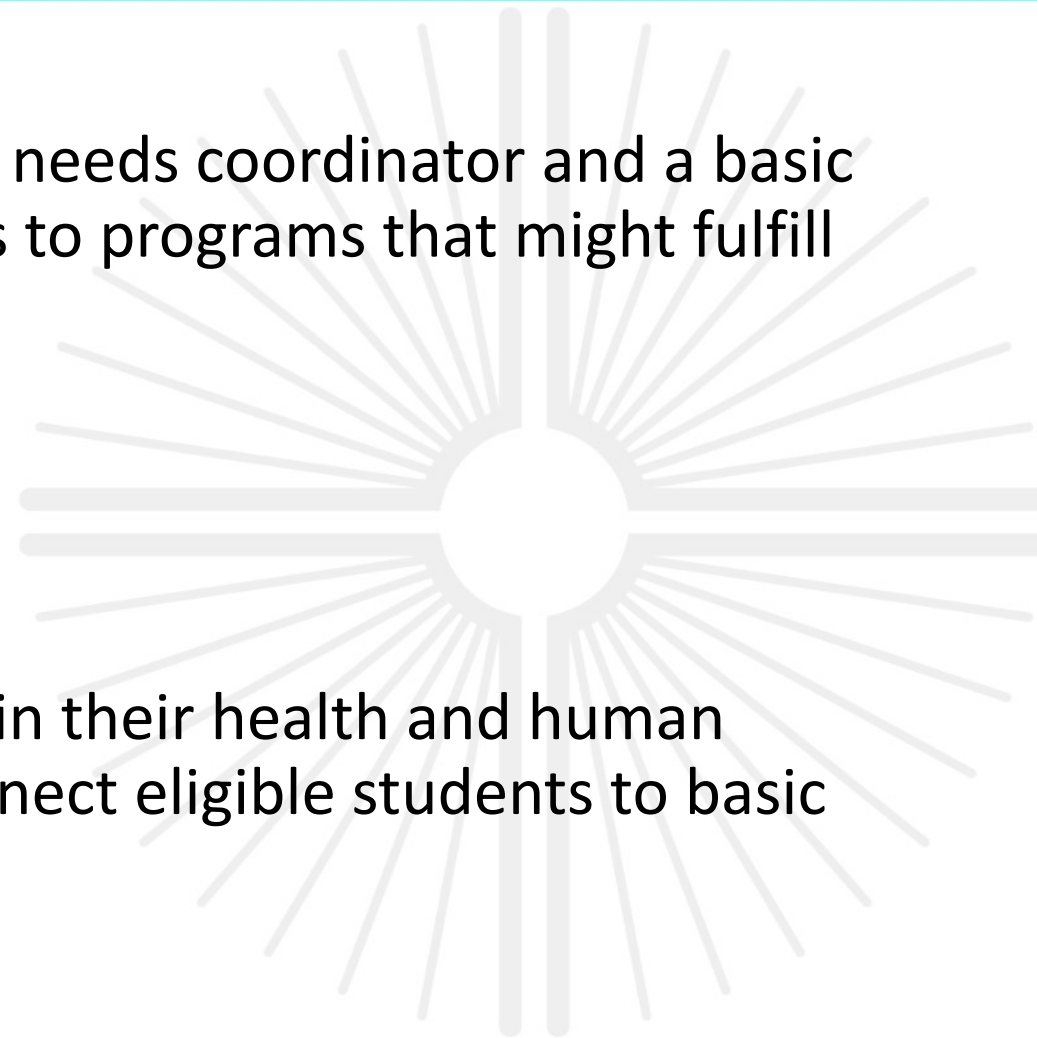
Would mandate that colleges hire a full-time basic needs coordinator and a basic needs center intended to connect eligible students to programs that might fulfill student basic needs.

**Location:** Assembly Suspense File

### **AB 1326 (Arambula) County Liaisons**

Would require counties to designate a liaison within their health and human services departments to work with colleges to connect eligible students to basic need services.

**Location:** Assembly Suspense File



# Collective Bargaining :

## AB 275 (Medina) Classified Employees

## AB 375 (Medina) Part-Time Faculty Load

### **AB 275 (Medina) Classified Employees**

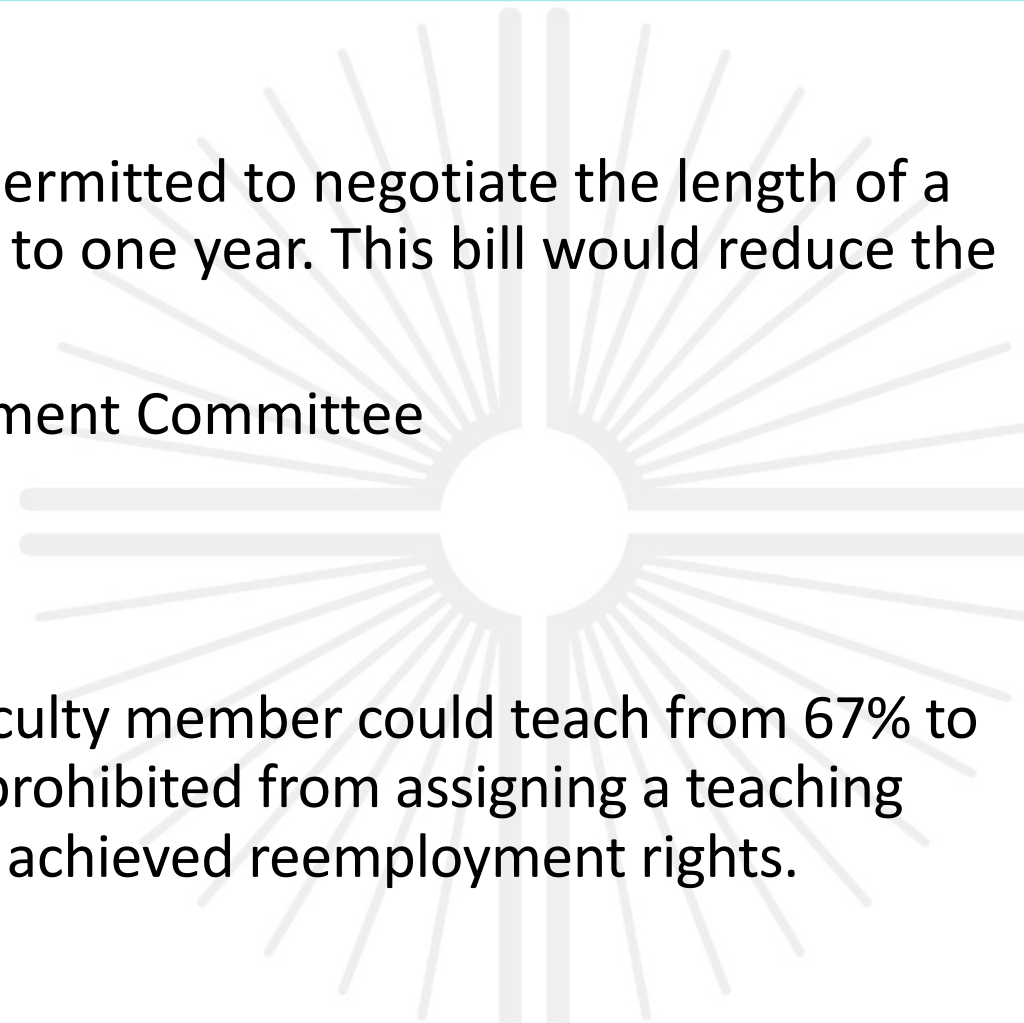
Currently, colleges and collective bargaining units are permitted to negotiate the length of a probationary period for a newly hired employee for up to one year. This bill would reduce the maximum length of time from one year to six months.

**Location:** Senate Labor, Public Employment and Retirement Committee

### **AB 375 (Medina) Part-Time Faculty Load**

Would increase the level of teaching load a part-time faculty member could teach from 67% to 85% of a full-time faculty member. A college would be prohibited from assigning a teaching load below 80% to a part-time faculty member who has achieved reemployment rights.

**Location:** Assembly Suspense File



# Collective Bargaining: AB 438 (Reyes) Classified Employees: Layoffs SB 205 (Leyva) Employee Sick Leave

## **AB 438 (Reyes) Classified Employees: Layoff Notices and Hearings**

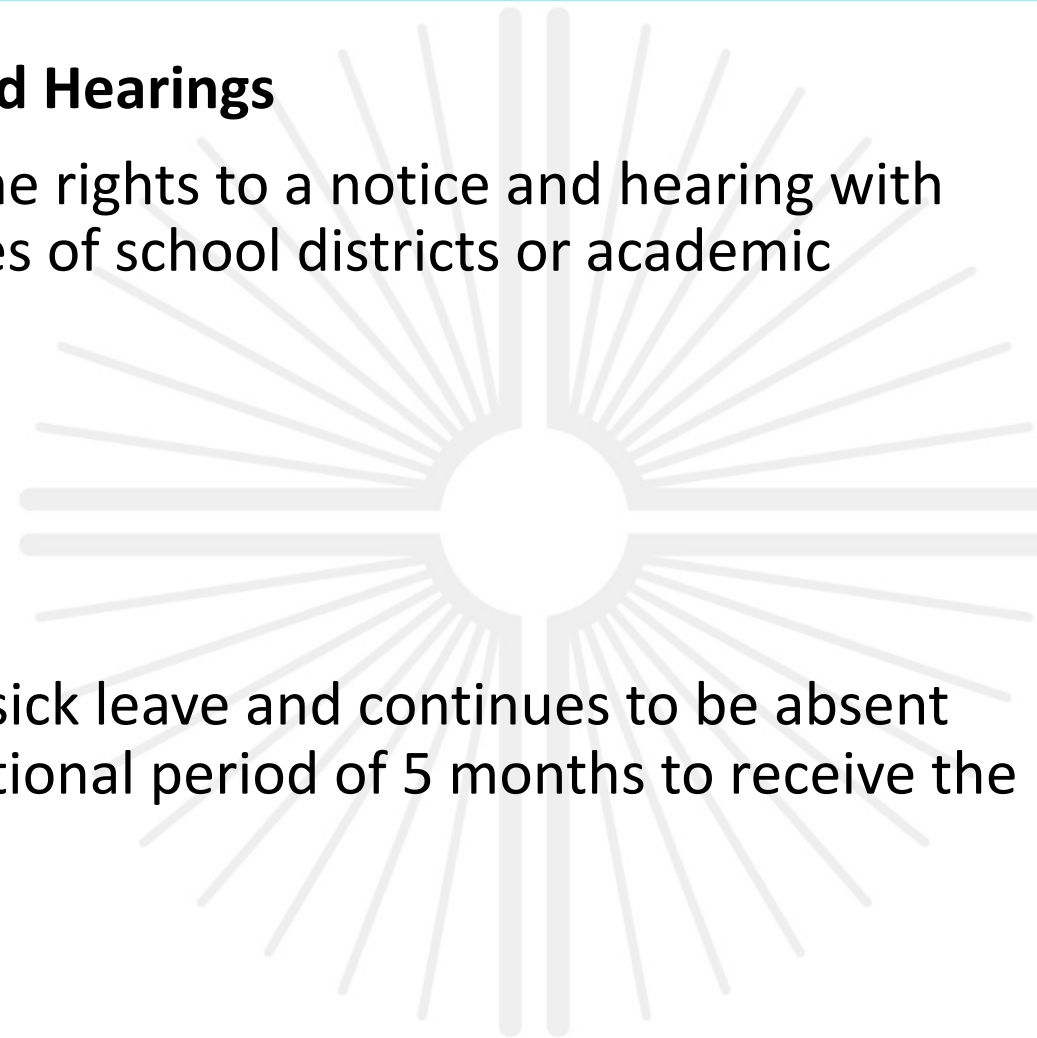
Would provide classified school employees with the same rights to a notice and hearing with respect to layoffs as is provided to certificated employees of school districts or academic employees at community colleges.

**Location:** Assembly Suspense File

## **SB 205 (Leyva) Employee Sick Leave**

Would require an employee, who exhausts all available sick leave and continues to be absent from duties on account of illness or accident for an additional period of 5 months to receive the employee's full salary during those 5 months.

**Location:** Senate Suspense File





# Housing:

AB 306 (O'Donnell) Student and Employee Housing

AB 1377 (McCarty) Student Housing Revolving Loan Fund



## **AB 306 (O'Donnell) Student and Employee Housing**

Would Exclude any employee housing built on a school or community college district property from Department of State Architect oversight.

**Location:** Senate Education Committee

## **AB 1377 (McCarty) Student Housing Revolving Loan Fund**

Would establish a revolving loan fund in which the community colleges, California State University, and the University of California can access to build affordable student housing.

**Location:** Assembly Suspense File



# QUESTIONS

Please insert your questions in the chat





THANK YOU!

