

# Government Relations Webinar

January 16, 2024



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- A laptop screen displaying a video conference with nine participants in a 3x3 grid. The participants are diverse in age and appearance. The laptop keyboard and a person's hands typing are visible in the foreground.
- ❖ Budget Update
  - ❖ Assembly Committee Update
  - ❖ Legislative Update



# Budget Update



# The Governor's Budget addresses \$37.9 billion deficit

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Reserves—\$13.1 billion. The budget draws upon funds from the state's reserves.

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Reductions—\$8.5 billion. The budget reduces funding for various items.

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Revenue/Internal Borrowing—\$5.7 billion. The budget includes support from revenue sources and borrows internally from special funds.

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Delays—\$5.1 billion. The budget delays funding for multiple items and spreads it across the three-year period, beginning in 2025-26, without reducing the total amount of funding through this period.

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Fund Shifts—\$3.4 billion. The budget shifts certain expenditures from the General Fund to other funds.

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Deferrals—\$2.1 billion. The budget defers specific obligations to the 2025-26 fiscal year.



# Prop 98 Guarantee



The Guarantee continues to be in a Test 1 for all years 2022-23 through 2024-25.

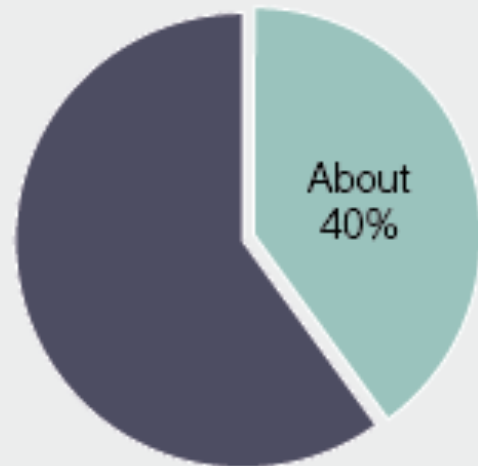


The funding level of the Guarantee is equal to roughly 39 percent of General Fund revenues, plus local property tax revenues.

# Three Proposition 98 Tests

## Test 1

Share of General Fund Revenue



Guarantee based on share of state General Fund revenue going to K-14 education in 1986-87.

## Test 2

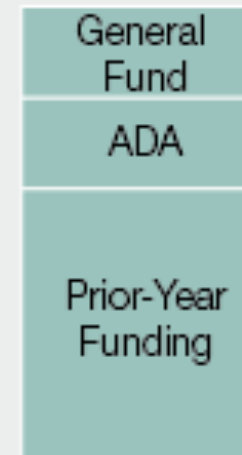
Change in Per Capita Personal Income (PCPI)



Guarantee based on prior-year funding level adjusted for year-over-year changes in K-12 attendance and California PCPI.

## Test 3

Change in General Fund Revenue



Guarantee based on prior-year funding level adjusted for year-over-year changes in K-12 attendance and state General Fund revenue.

ADA = average daily attendance.

# Proposed Withdrawal from PSSSA

Governor's plan withdrawals:

Roughly \$3 billion in 2023-24 and

\$2.7 billion in 2024-25

With a remaining PSSSA balance of more than **\$3.8 billion** at the end of 2024-25

# University of California (UC) California State University (CSU)

Compact Deferral for UC—A one-time deferral of \$227.8 million General Fund,

Compact Deferral for CSU—A one-time deferral of approximately \$240.2 million General Fund

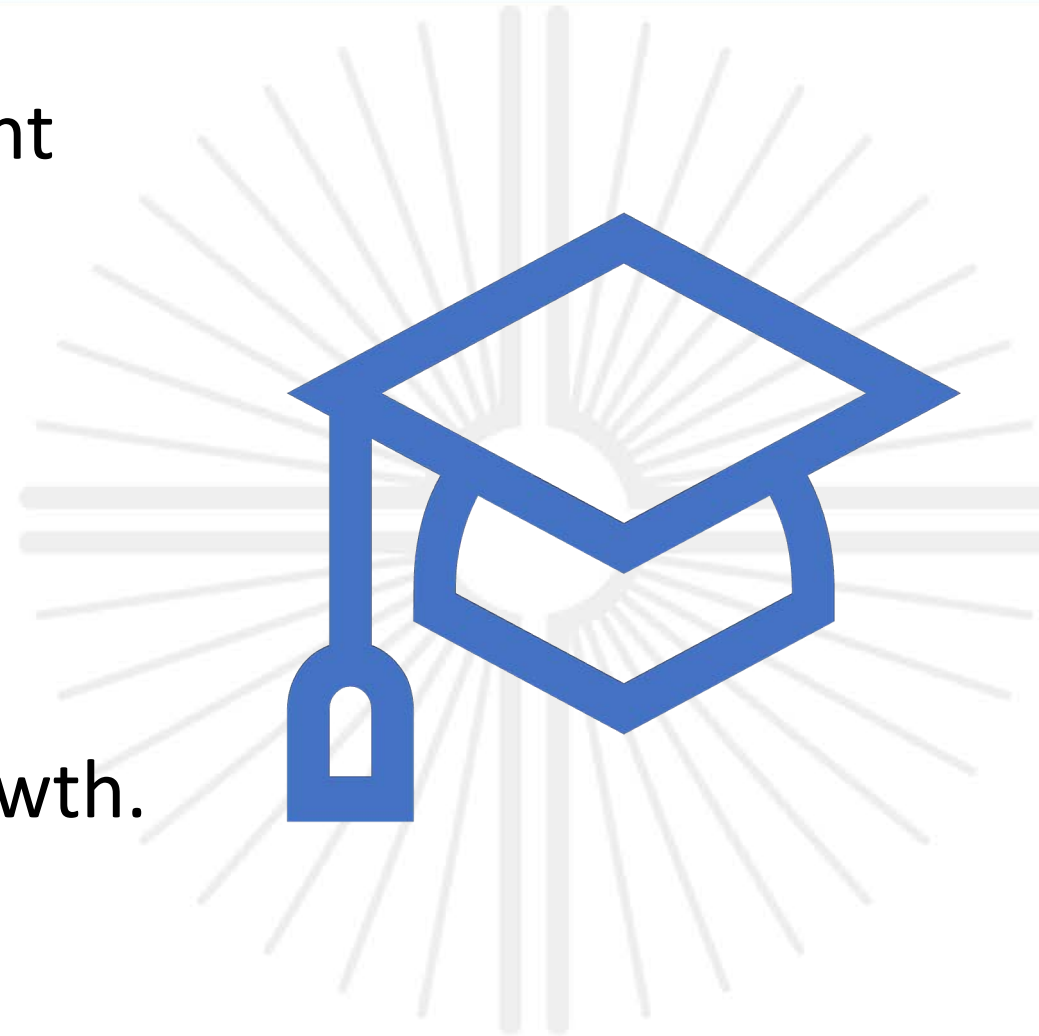
Reflects a five-percent General Fund resource adjustment pursuant to the Compact.

In 2025-26 both segments should plan for both the repayment of this one-time deferral ongoing General Fund to be included within its base budget.

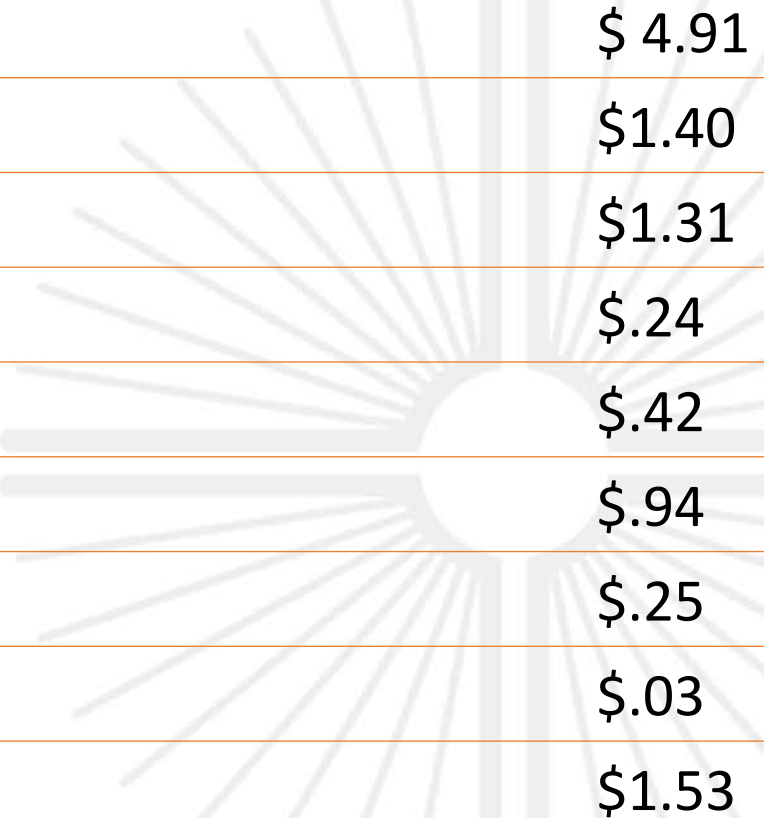


# CCC Apportionments

- \$69.15 million cost-of-living adjustment (COLA) for Student Centered Funding Formula apportionments, at 0.76%
- Consistent with K-12 COLA
- \$29.6 million ongoing Proposition 98 General Fund for 0.5% enrollment growth.



# Categoricals proposed for COLA of 0.76% (in millions)



Adult Education Program	\$ 4.91
Extended Opportunity Programs and Services (EOPS)	\$1.40
Disabled Student Programs and Services (DPS)	\$1.31
APPRENTICESHIP (Community College Districts RSI)	\$.24
Calworks student services	\$.42
Mandates Block Grant and reimbursement	\$.94
Cooperative Agencies Resources for Education (CARE)	\$.25
Childcare tax bailout	\$.03
Adjustment for financial aid admin	\$1.53

# Nursing Program Support



An increase of \$60 million one-time Proposition 98 General Fund to expand nursing programs and Bachelor of Science in Nursing partnerships



To develop, educate, and maintain the next generation of registered nurses through the community college system, subject to future statutory changes



Consistent with 2023-24 budget act which intended to provide \$60 million one-time Proposition 98 General Fund per year for five years, starting in the 2024-25 fiscal year

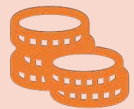
# K-14 Rainy Day Fund



To support Student Centered Funding Formula resource needs



A withdrawal of roughly \$235.9 million in 2023-24



And \$486.2 million in 2024-25

# CCC Affordable Housing



Administration remains committed to a statewide lease revenue bond approach **(Budget Summary, Higher Education, p. 30)**



Developing a proposal for consideration at the May Revision



Proposes using resources included in the 2023 Budget to support those projects

# Cal Grant Reform



The 2022 Budget Act reflected provisions regarding the fiscal conditions upon which the Cal Grant Reform Act may be implemented



The Administration remains attentive to the 2022 Budget Act's provisions regarding the fiscal conditions upon which the Cal Grant Reform Act may be implemented



Will continue to work closely with the Legislature, the Commission, and others

# School Facility Program

The Kindergarten through Community College Public Education Facilities Bond Act of 2016 (Proposition 51), (November 2016)

Which authorized \$9 billion in state General Obligation bonds to support K-12 and community college school facilities construction.

Expects to reach agreement on a bond proposal to be considered in the November 2024 election.

Legislative Analyst's Office  
The 2024-25 Budget:  
Overview of the Governor's Budget

*Assumes \$8 Billion in Lower Spending in 2022-23*

Notes proposal plans to reduce General Fund spending on school and community college programs in 2022-23 by \$8 billion

The budget does not specify how the state will implement this reduction

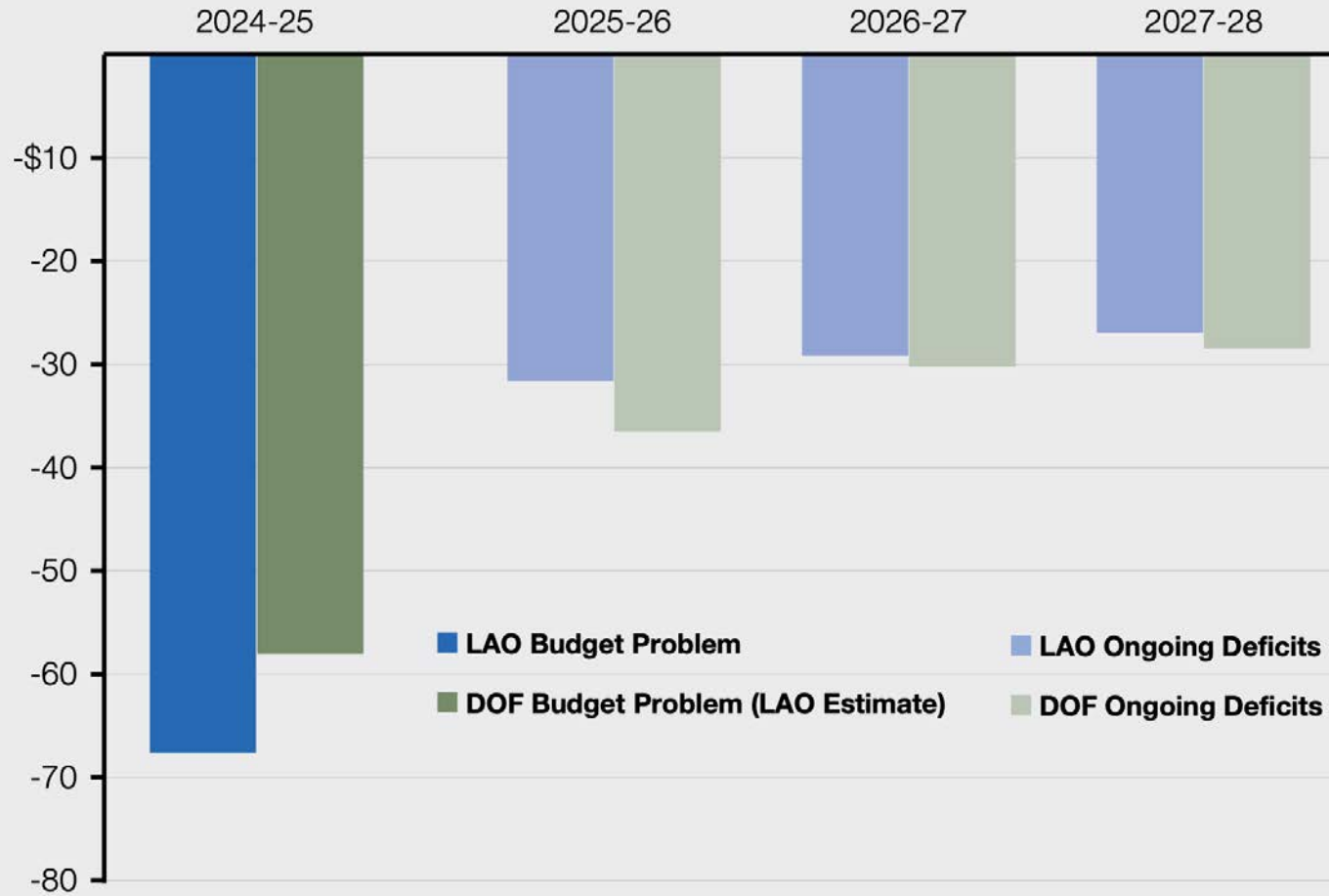
But indicates the state will make the reduction in a way that avoids impacting school and community college budgets.

Plan would make supplemental payments totaling \$8 billion over a five-year period (from 2025-26 through 2029-30).



# State Faces Significant Operating Deficits

(In Billions)



DOF = Department of Finance.

# League Talking Points (Draft)

## Gratitude

- The Governor's Budget prioritizes education
- The Governor's Budget affirms the value of California Community Colleges

## Engaging your Delegation

- Enrollment is up
- Community Colleges are essential to workforce development
- Continued investment is critical to ensure continued progress

## Flexibility

- California's fiscal future will take time to recover
- Encourage policymakers to support additional flexibility
- Like 50% law, for example

# League Talking Points (Draft)

## Affordable Housing

- Final language to be completed by May Revision

## Cal Grant Reform

- Decision on action to be decided in May Revision

## School Facilities Bond

- Funds from last bond are depleted
- Bond negotiations focused on November Ballot
- League supports a K-14 bond

## Baccalaureate Degree Program

- Our colleges can be pivotal to addressing workforce shortages
- \$60 million for nursing
- SB 895 (Roth) on BSN authority-Ask your delegation to support

# Overview of the Governor's Proposed 2024-25 Budget

Budget Committee Hearings on January 23, 2024:

Assembly Budget Committee

9:30 a.m. — 1021 O Street, Room 1100

Senate Budget Committee

1:30 p.m. — 1021 O Street, Room 1200





# Assembly Committee Update

# Assembly Higher Education Committee

Assemblymember Mike Fong, Chair

Alhambra

Assemblymember Tri Ta, Vice Chair

Westminster

Assemblymember Joaquin Arambula

Fresno

Assemblymember Tasha Boerner

Encinitas

Assemblymember Phillip Chen

Yorba Linda

Assemblymember Bill Essayli

Corona

Assemblymember Jacqui Irwin

Thousand Oaks

Assemblymember Corey Jackson

Perris

Assemblymember Evan Low

Sunnyvale

Assemblymember Al Muratsuchi

Rolling Hills Estates

Assemblymember Sharon Quirk-Silva

Fullerton

# Assembly Budget Subcommittee 3

- David Alvarez  
San Diego
- **Megan Dahle**  
Bieber
- **Bill Essayli**  
Corona
- Mike Fong  
Alhambra
- Kevin McCarty  
Sacramento
- Al Muratsuchi  
Rolling Hills Estates



A group of people, including a man in a blue suit speaking into a microphone and a woman in a red jacket smiling, at a Senate leadership change event.

# Senate Leadership Change

Monday, February 5th





# Legislative Update: 2-Year Bills

# AB 359 (Holden) Dual Enrollment

## **AB 359 (Holden) Dual Enrollment: College and Career Access Pathways partnerships**

Among other provisions, would authorize a community college district to enter into a CCAP partnership outside of their service area if a local college district has denied a request to establish a CCAP partnership. Removes the requirement for a high school principal to individually recommend students to participate in dual enrollment courses. Allows courses to be offered in a synchronous or asynchronous online format.

**Location:** Assembly Appropriations Committee

# AB 810 (Friedman) Hiring Practices

## **AB 810 (Friedman) Hiring Practices: academic, athletic, and administrative appointments.**

Requires an applicant for employment who has reached the final stage of hiring to disclose any previous employment findings of misconduct against them.

- *“Misconduct” means any violation of the policies governing employee conduct at the applicant’s previous place of employment, including, but not limited to, violations of policies prohibiting sexual harassment, sexual assault, or other forms of harassment or discrimination, as defined by the employer.*
- *Applies to the hiring process for an appointment to an academic, or athletic, or administrative position*

**Location:** Assembly Appropriations Committee

# AB 1142 (M. Fong) CPEC

## **AB 1142 (M. Fong) Postsecondary Education: Coordinating Commission for Postsecondary Education in California**

Would create the Coordinating Commission for Postsecondary Education in California as the statewide postsecondary education oversight, coordination, and planning agency. The Commission would be an independent state agency, which shall be advisory to the Governor, the Legislature, other appropriate government officials, and institutions of postsecondary education.

- *All other details were removed from the bill, and an informational hearing is planned in the coming months*

**Location:** Assembly Appropriations Committee

# AB 1575 (Irwin) Confidential Advocates

## **AB 1575 (Irwin) Public postsecondary education: sexual harassment, sexual violence, and discrimination: disciplinary actions: confidential advocates and advisors**

- To be eligible to receive state financial aid, an institution of the California Community Colleges (CCC), the California State University (CSU), and the University of California (UC), must adopt a policy permitting a student to be represented by an advisor if the student receives a notification of a disciplinary action. The advisor may be a confidential advocate.
- Each institution shall employ at least two confidential advocates to assist in its response to discrimination.
- An institution is not required to employ a confidential advocate if it enters into a memorandum of understanding with a local victim advocacy organization to provide confidential advocates on campus.

**Location:** Assembly Appropriations Committee

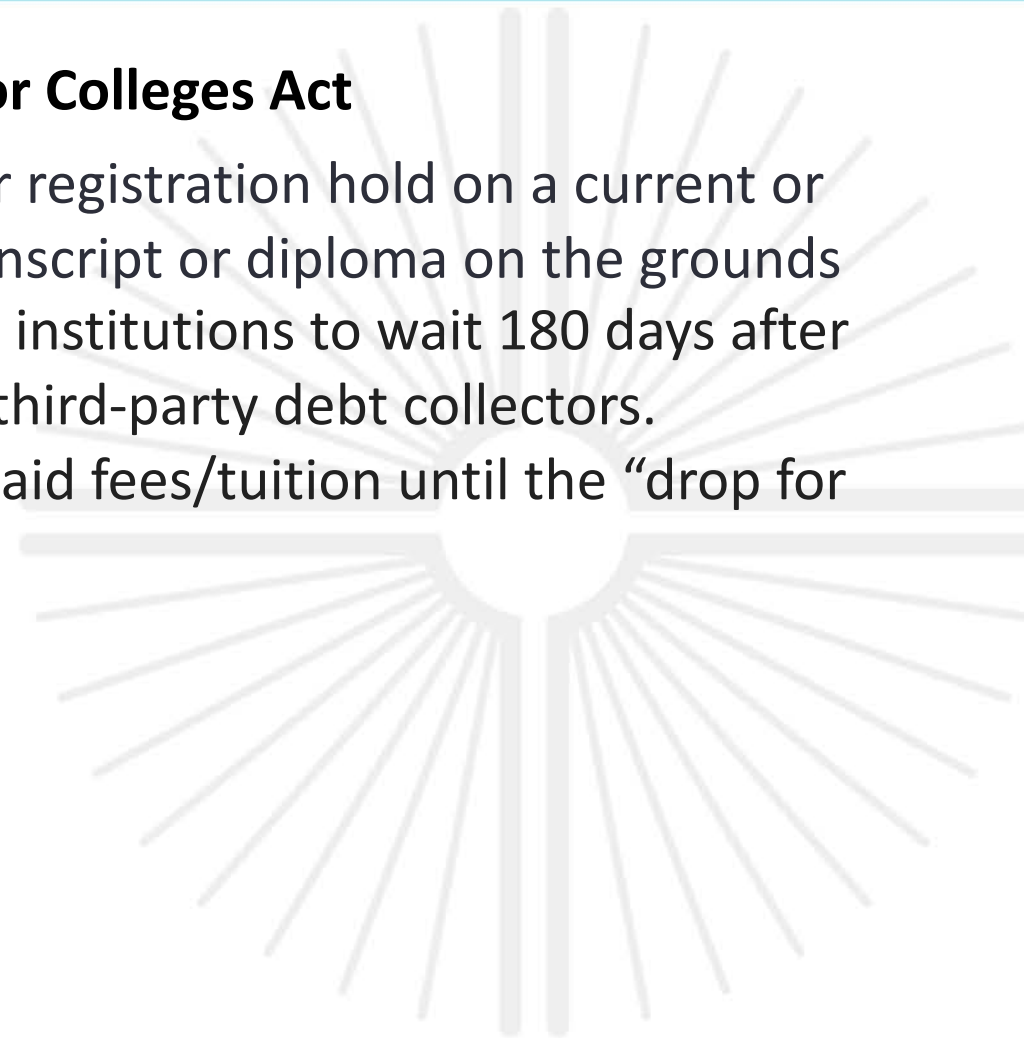
# AB 1160 (Pacheco) Debt Collection

## **AB 1160 (Pacheco) Protecting Students from Creditor Colleges Act**

Prohibits an institution from placing an enrollment or registration hold on a current or former student's account or refusing to provide a transcript or diploma on the grounds that the student owes an institutional debt. Requires institutions to wait 180 days after alerting students of their debt before engaging with third-party debt collectors.

Prohibits institutions from dropping students for unpaid fees/tuition until the "drop for non-payment" deadline.

**Location:** Assembly Appropriations Committee





# Legislative Update: Newly Introduced Bills

# Newly Introduced Legislation

## **AB 1780 (Ting) Postsecondary Education: legacy admissions**

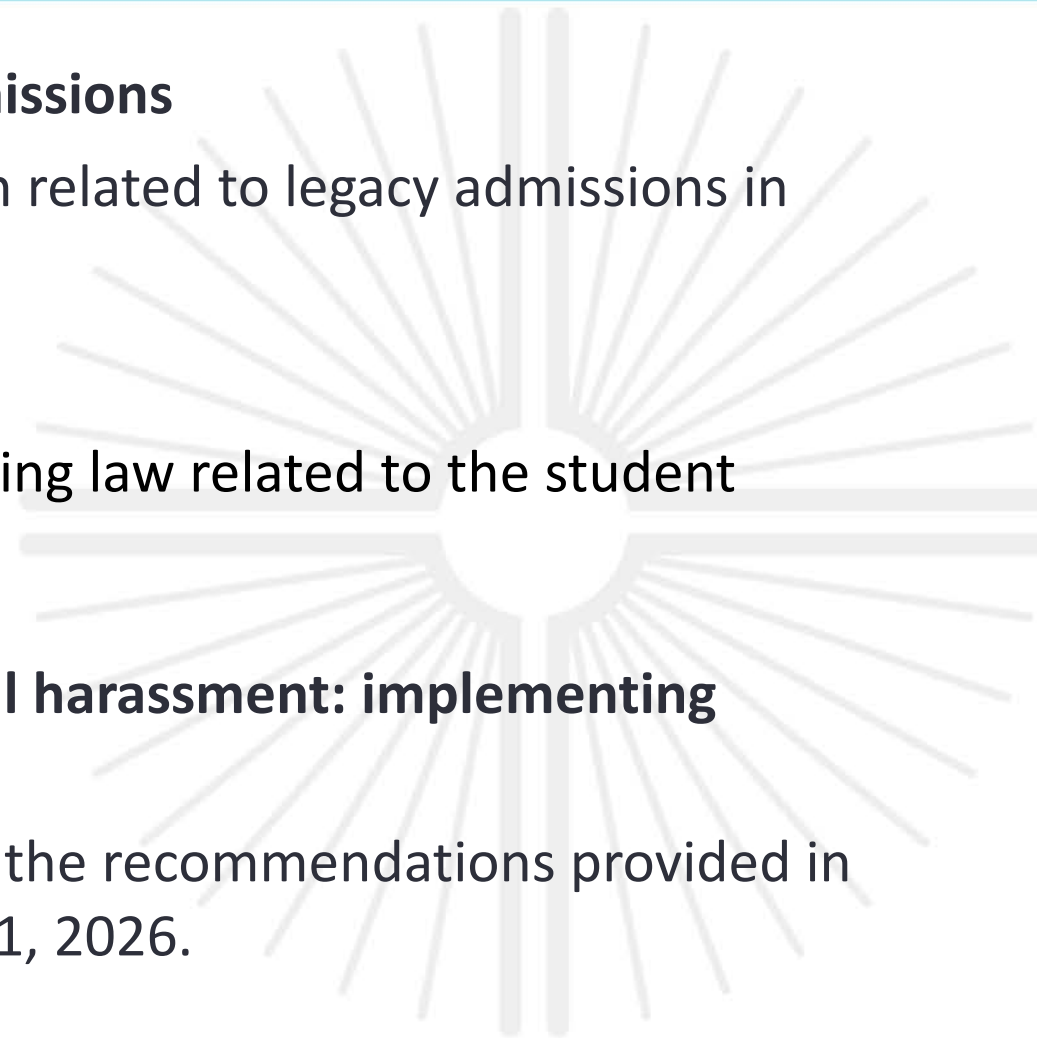
States the intent of the author to introduce legislation related to legacy admissions in institutes of higher Education.

## **SB 906 (Skinner) Student Athlete Bill of Rights**

States the intent of the author to further modify existing law related to the student athlete's bill of rights.

## **AB 1790 (Connolly) California State University: sexual harassment: implementing California State Auditor recommendations**

Requires the California State University to implement the recommendations provided in a specified California State Auditor report by January 1, 2026.





# Newly Introduced Legislation

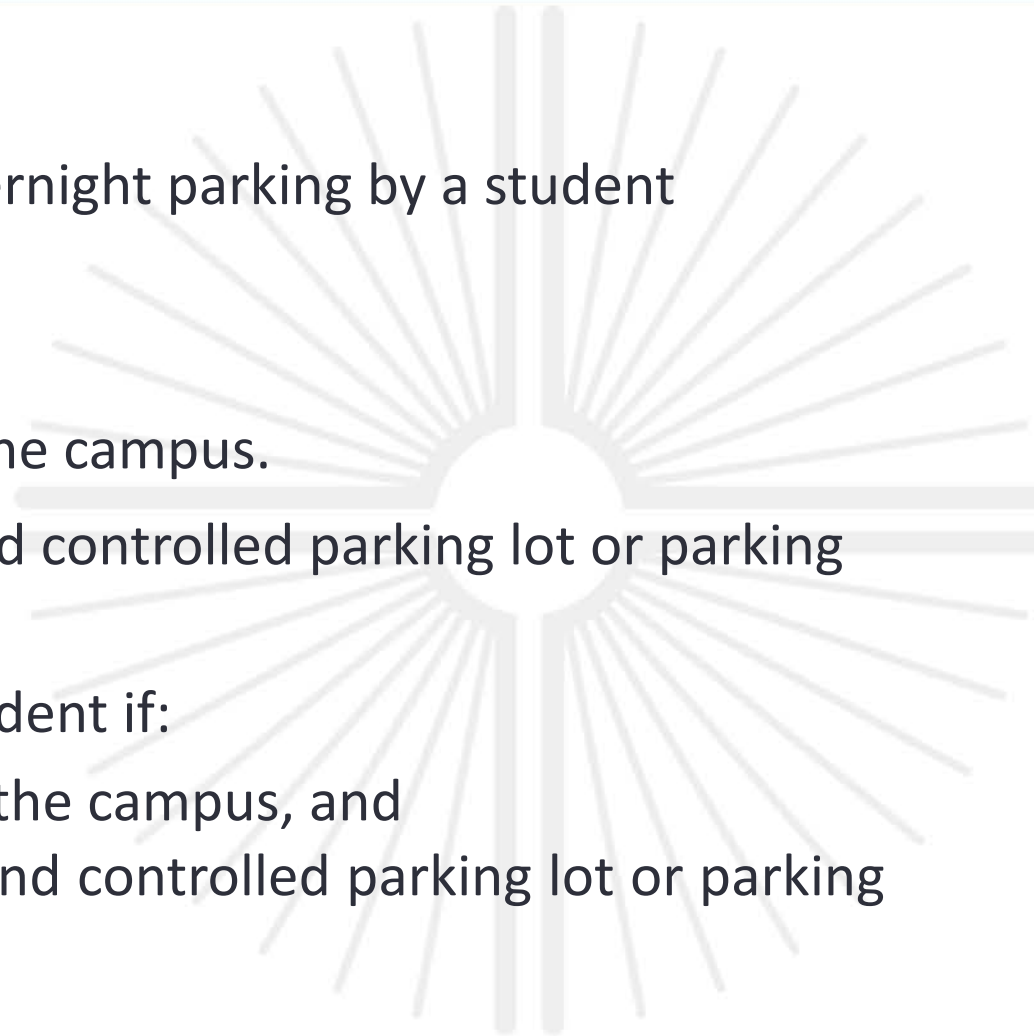
## **AB 1818 (Jackson) Homeless students: parking**

Requires each CCC, CSU, and UC campus to allow overnight parking by a student attending its campus if:

- The student uses the vehicle as housing.
- The student has a valid parking permit issued by the campus.
- The vehicle is parked in or on a campus-owned and controlled parking lot or parking structure.

Prohibits each campus from citing or penalizing a student if:

1. The student has a valid parking permit issued by the campus, and
2. The vehicle is parked in or on a campus-owned and controlled parking lot or parking structure.



# Newly Introduced Legislation

## **SB 895 (Roth) Baccalaureate Degree in Nursing Pilot Program**

Authorizes Baccalaureate Degree in Nursing (BSN) programs at 15 community college districts, selected by the Community College Chancellor. The programs must have equitable access throughout the northern, central, and southern parts of the state, and priority must be given to districts in underserved nursing areas. This authority would sunset in January 2031.



**Save the date**

January 28-29, 2024

Annual Legislative Conference

Sheraton Grand Sacramento

THEME

Advancing our Collective Voice:  
Effective Advocacy for Equity and Success

*Save the date:*



Real  
College  
California

# BASIC NEEDS CAPITOL BRIEFING

Tuesday January 30th, 2024  
10:00 am

Legislative Office Building, Room 100

1020 N Street  
Sacramento, 95814

Tuesday, February 6  
7:30 – 9:00 a.m.

\$75/person

Marriott Marquis  
Washington, D.C.



COMMUNITY COLLEGE

# California Delegation Breakfast & Briefing

TUESDAY, FEBRUARY 6  
WASHINGTON, D.C.

Hosted by



COMMUNITY COLLEGE LEAGUE  
OF CALIFORNIA



FOUNDATION *for* CALIFORNIA  
COMMUNITY COLLEGES

BLACK  
STUDENT  
SUCCESS  
WEEK

# BUILDING A BETTER FUTURE TOGETHER.

THE URGENCY IS NOW.

SAVE THE DATE | APRIL 22-26, 2024

THE BLACK HOUR: 12 - 1 PM THE AFTER PARTY: 1 - 2 PM

BROUGHT TO YOU BY



The Education Trust-West



Thank you!

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

