



COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

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20 May 2020

Hon. Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee
State Capitol Room 5019

Hon. Phil Ting, Chair
Assembly Budget Committee
State Capitol Room 6026
Sacramento, CA 95814

**Re: Community College Budget for Both 2019-20 and 2020-21
May Revise 6870-101-0001**

Dear Senator Mitchell and Assemblymember Ting:

On behalf of the Community College League of California (the League), we thank you for your leadership in these challenging times and for your ongoing support of the California Community Colleges. We are also grateful to the Administration for hearing our concerns and incorporating some of our suggestions into the May Revision.

California Community Colleges have quickly and effectively adapted to the crisis by shifting education to the virtual space and minimizing disruption to students. Faculty, administrators, classified staff, CEOs, and trustees have all **maintained a priority on student equity** in this process, ensuring that vulnerable populations and those with unique needs are being supported. This is not without its challenges, but our institutions are continuing to find collaborative and creative solutions for our exceptionally diverse body of students.

Our institutions stand ready to serve as a focal point for economic and social recovery, including enrollment of those dislocated from the workforce, if funded to do so. While managing the economic downturn is a monumental challenge, particularly as the lowest funded public educational system in the state, we can optimize our value when provided with some measure of **stability, predictability, and flexibility**. The State is a critical partner with our districts and we urge that this budget is designed in a way that incentivizes the most optimal local decisions.

The Administration's proposed May Revision to the January Budget honors these themes in a number of ways, which merit our support, including:

- Extending the Hold Harmless provision an additional two years for districts struggling in the transition to the Student Centered Funding Formula;
- Exempting COVID-related expenses from the Fifty Percent Law equation;
- Reducing district-side increases to the public pension systems;



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- Embracing year-to-year deferrals in lieu of additional cuts;
- Providing community colleges with their statutory share of Proposition 98;
- Planning for out-year over-appropriation of Proposition 98, allowing for a swifter recovery;
- Continuation of Proposition 51 capital outlay projects.

Unfortunately, the May Revise presents such severe fiscal and structural hurdles for our colleges, there is significant concern for their ability to serve their students and communities at a time when they are needed most. Specifically:

- 1) **Deep cuts to our budget should be accompanied by a workload reduction.** It is unrealistic to expect our colleges to maintain their current enrollment, let alone take in new students, when per-student funding is on the chopping block. Educational quality can only be sacrificed so much before it is completely unrecognizable. Over the past decade, our system has embraced Guided Pathways and Student Success, instituted academic progress standards for those receiving a Promise Grant, and limited repeatability of courses to ensure that students have a clear educational roadmap and will not be lingering without a defined goal. A workload reduction commensurate to the base apportionment cut will increase the feasibility that colleges can maintain quality and effectively serve those who are serious in their educational pursuits.
- 2) **Protecting base funding should be the top priority in the Budget Act.** While the League supports the policy aims of many categorical programs, we believe the May Revise is misguided in its massive reduction of our base allocation, which serves as our central means of hiring personnel and offering educational opportunity, compared to our categorical programs which are supplemental in nature and function as a specific and targeted support mechanism for our core operations. While the goals of these categoricals are undoubtedly important, they are dependent upon a healthier base. Our districts are unanimous in urging protection of base funding as essential to managing the economic crisis. They also support consideration of block granting categorical programs to allow for greater flexibility and allowance of greater access to categorical reserves.

On a related note, the proposed disproportionate cut to the Strong Workforce Program will likely impede our districts' ability to offer essential yet high-cost programs such as those now needed in health care. While prioritizing the base, we urge proportionality in the cuts to categoricals, including this one. Further, we recommend that the district share of the Strong Workforce Program allocation—that used to hire faculty and staff, and offer courses—remain intact, with cuts targeted to the regional component, used for planning, sharing of best practices, and marketing.



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- 3) **Overall cuts to Proposition 98 are too deep for this stage of the crisis.** While the League credits Governor Newsom for an out-year plan to over-appropriate Proposition 98, we have ample reason to fear a long-term fiscal decline which requires as gentle a step-down as possible in the upcoming Budget Act. Pushing our districts toward deep cuts in this first round will cause such destabilization, they will not be able to endure the likelihood of further reductions to follow.
- 4) **Predicating base funding on federal action is misguided.** Like many other advocacy organizations, the League works closely with its federal partners in Washington, D.C. and is in continuous communication with congressional lawmakers. Nonetheless, our federal influence is limited and cannot miraculously produce an amount equal to California's shortfall, especially not by the June 15 budget deadline. We must not hold our students hostage to the intense partisan divide in Washington, D.C. as it is our responsibility to educate them and allow them to enroll in community colleges as a means of advancing their economic and intellectual capabilities.

The League recognizes the severity of the economic crisis and offers its expertise to you in the weeks ahead. We are grateful for your leadership and remain hopeful that we can help craft the budget in a responsible and responsive way that recognizes the limitations of the state's resources while still appropriately serving our communities. Given the dynamic state of affairs, the League reserves the right to amend this letter as new information becomes available.

Please do not hesitate to contact us with any questions.

Sincerely,

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Hon. Kevin McCarty, Chair, Assembly Budget Subcommittee # 2
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Members, Assembly Budget Subcommittee #2
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