



Talking Points: 2024 Fiscal and Policy Priorities

UPDATED: MARCH 2024

Revenue Shortfall: While there is general agreement that revenues will fall below projection, there is a wide range of opinion on the size of the shortfall between the Administration's estimated \$38 billion and the Legislative Analyst's Office updated figure of \$73 billion.

Without a consensus on the size of the deficit and recognizing that revenue forecasting is ultimately in the purview of the Administration, the League urges advocacy efforts on the California Community College budget to focus on the Governor's January proposal and not in the realm of speculation on whether the overall shortfall will be higher in May.

Our colleges have made tremendous strides in recovering lost student enrollment of the pandemic era and we continue to increase our success metrics consistent with Vision 2030 and the Governor's Roadmap. The investments in our institutions demonstrate the confidence of lawmakers in our work and the critical role we play in our communities. We must continue building on these efforts as we enter a period of economic instability.

Overall Theme: We are grateful to the Administration for its January budget proposal which meets the League's three basic pillars for state funding: **Stability**, **Predictability**, and **Flexibility** within in the framework of Equity.

Specific Proposals

COLA

We urge approval of 0.76 percent increase for COLA in the SCFF and for select categoricals, and 0.5 percent increase in funding for Growth. Although these percentages are modest in comparison to recent years, their presence in the January budget proposal in a time of revenue shortfall is a sign of tremendous confidence in our work and hits a key pillar of the League's budgetary framework, Stability. Moreover, as the proposed COLA is consistent with that of K-12, it also satisfies the criterion of Predictability.



Expanded Nursing Education

We also urge approval of the \$60 million in one-time funding to expand nursing education, part of an overall \$300 million commitment to the community colleges. This piece hits the pillar of Predictability and in the framework of Equity as our institutions serve the most diverse populations and can use this money to expand access to nursing education for place-bound students.

Flexibility

In times of fiscal downturn, legislators have historically looked at offering greater levels of flexibility as a means toward mitigating the effects of declining state support. We encourage our districts to explain why state mandates, like the Fifty Percent Law, hinder local governance and ability to holistically provide students with the programs and services they need to be successful.

Other Proposals Requiring Attention from Policymakers

Despite the downward trend in state revenues, our college leaders should continue emphasizing the need for:

1. Funding Cal Grant reform to address basic equity issues in financial aid and increase access to those unable to pay for the total cost of higher education.
2. Funding affordable student housing to address the crisis of one in five community college students experiencing housing insecurity.
3. Approval of a statewide facilities bond to infuse much needed capital for construction and modernization of our aging infrastructure.

Reminders: Please thank your legislators for their ongoing support for community colleges and to remind them of how central the colleges are to their communities. As this will undoubtedly be a complicated budget season, it is advisable to offer to serve as a resource to them as they prepare to vote on forthcoming proposals.

Contact the League's Government Relations Team

Andrew Martinez, Senior Director
(916)906-2398 amartinez@ccleague.org

Nune Garipian, Senior Policy Advocate
(916)906-2521 nune@ccleague.org

Kristal Padilla, Legislative Advocate
(916)906-3330 kristal@ccleague.org