Government Relations Update
January 29-30, 2022

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
Approval of Talking Points
Overall Budget
Enrollment Strategies
How to Engage the Budget Process
Legislative Update
Federal Update
2022 Legislative Talking Points
Amidst the ongoing pandemic and other extreme crises

The state has experienced a surge in revenues creating unprecedented funding opportunities in the budget.

The League shares with Governor Newsom and state legislative leaders the need to move our economy and society from a K-shaped economy, where only a few can benefit, to an E-shape, where all can participate and prosper.

With the proper investments, California Community Colleges are uniquely positioned to make that happen.

The League is appreciative of Governor Newsom’s January budget proposal for its vital recognition of the California Community Colleges and offers the following perspectives on some of the pieces.
League 2022 Talking Points

COLA at 5.33% ($409.4 million)/Growth at 0.5% ($24.9 million)

Exceptionally important proposal to keep pace with rising costs.

Allows for critical decisions to be made at the local level.

Should additional funds become available in May, League urges an additional unallocated increase to the base to be used for locally-determined needs in helping achieve equity and success.
League 2022 Talking Points

Student Centered Funding Formula (Permanently Extend Revised Hold Harmless Starting in 2025-26 Using 2024-25 as Floor while Applying Simple, Not Cumulative COLA; Adjust Supplemental Allocation to Include Unduplicated First-Generation Student Metric)

Significant proposal for districts on Hold Harmless to avoid the fiscal cliff.

Forthcoming enrollment data will better inform future reforms.

First-generation student metric important to advance equity.
Deferred Maintenance and Instructional Equipment ($387.6 million one-time)

Significantly addresses infrastructure needs.

Critically important for the health and safety of students, faculty, and administrators during the pandemic.

Helps keep pace for equipment with changing instructional needs as our technology continues to advance.
League 2022 Talking Points

Pension Obligations

Proposal for budget contributions to CalPERS and CalSTRS limited to state’s share of pension liability.

Community college districts’ share will continue to increase in 2022-23, for CalSTRS from 16.92% to 19.10%, for CalPERS, from 22.91% to an estimated 26.10% (CalPERS to update employer rates in April).

Should additional funds become available in May, League urges relief for districts to buy-down increased employer-side pension obligations.
Financial Aid ($100 million for Student Success Completion Grant Program, $10 million for Financial Aid Administration)

Financial aid is critical to twin goals of equity and success.

Proposals help foster student success and programmatic infrastructure needs.

Continuing conversation is needed on equity in Cal Grant reform to address the total cost of attendance.
Action Item:

LEAGUE STAFF WOULD LIKE TO SEEK THE APPROVAL OF TALKING POINTS FOR THE 2022 LEGISLATIVE CONFERENCE
Overall Budget
THE CALIFORNIA BLUEPRINT

BUDGET PROPOSAL

$286.4 Billion: Balanced Budget

$213.1 Billion: General Fund
THE CALIFORNIA BLUEPRINT

HIGHER EDUCATION

New Framework

- Access and alignment
- Shared priorities
- Closing equity gaps
- Improving degree completion
- Reducing cost of attendance
- Increasing undergrad enrollment
- Builds on UC 2030 and CSU 2025 goals
Gann Limit

The Budget projects the State Appropriations Limit or "Gann Limit" will likely be exceeded in the 2020-21 and 2021-22 fiscal years. Any funds above this limit are constitutionally required to be allocated evenly between Prop 98 and tax refund.

An updated calculation of this limit, and proposals to address it, will be included in the May Revision.

Governor provided an estimate of $2.6 billion, but this is likely to change.
Proposition 98 Augmentation: $1.8 Billion

- $983 million (Ongoing)
- $842 Million (One-Time)
Ongoing Investments: $842 Million

- TECHNOLOGY MODERNIZATION: $25
- STUDENT SUCCESS COMPLETION GRANTS: $100
- PART-TIME FACULTY HEALTH INSURANCE PROGRAM: $200
- ENROLLMENT GROWTH: $24.90
- COLA: $409.40
One-Time Investments: $983 Million

- Technology Modernization: $75 million
- Common Course Numbering: $105 million
- Student Retention and Enrollment Efforts: $150 million
- Deferred Maintenance: $387.60 million
Enrollment Strategies
Action Item:

• Proposed correspondence to Chancellor Eloy Oakley
  • Seeking a taskforce to conduct research on enrollment strategies
Budget Process
Budget Process

• January-February
  • Legislative Analyst’s Office releases their analysis
  • Budget and spot bills introduced

• March-May
  • Sub-committees meet and take actions
  • Sends report back to Budget Committee

• May -June
  • May Revise is released by Governor
  • Sub-Committee and Budget Committee assess changes
  • Conference Committee and final deliberation with Administration
  • Legislature acts by June 15
  • Governor signs by the end of June
Engaging the Budget Process

• Via the subcommittee process
  • Remote testimony if applicable
  • Letters in support of CCC budget

• As part of the May Revise process
  • Engage your delegation
  • And sub-committee members
QUESTIONS
Legislative Update

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
2022 Legislative Year: COVID 2.0

- A number of lawmakers were absent from floor sessions due to COVID-19 quarantine policies and other issues.
- Both houses follow strict social distancing protocols.
- Different approaches to committee testimony:
  - State Senate: Call in remotely or testify in person.
  - State Assembly: Testify in person or queue up to speak outside the Capitol.
Items for Discussion:

**Academic Affairs:**
- AB 102 (Holden) Dual Enrollment
- AB 1187 (Irwin) Supervised Tutoring
- AB 1705 (Irwin) Assessment

**Facilities:**
- AB 1719 (Ward) Employee Housing
- AB 75 (O’Donnell) K-14 Facilities Bond
- SB 22 (Glazer) K-16 Facilities Bond

**Human Resources:**
- AB 1505 (Rodriguez) Faculty Obligation Number
- AB 1691 (Medina) Classified Employees

**Student Services:**
- SB 885 (Laird) Community College Foster Youth
Bills for Discussion: Academic Affairs

AB 102 (Holden) Dual Enrollment
Would eliminate the sunset date authorizing dual enrollment created via the Career and College Pathways program, making the programs permanent.

League Position: SUPPORT

AB 1187 (Irwin) Supervised Tutoring
Would make supervised tutoring for credit courses eligible to capture apportionment funding.

League Position: SUPPORT
AB 1705 (Irwin) Academic Assessment

Intended to increase the number of students that get placed directly into transfer English and math courses by doing the following:

A) Prohibits colleges from placing a student in pre-transfer coursework without demonstrating that attending the class will increase a student’s chance of succeeding in an English or math class within one year.

B) Specifics that high school transcript data will be the primary means of assessing a student’s likeliness to succeed at pre-transfer-level math or English.

C) Prohibits colleges from using multiple measures to lower a student’s placement recommendation.
Bills for Discussion: Facilities

AB 1719 (Ward) Community College Employee Housing
Would permit community colleges to build affordable housing for faculty and classified employees.

AB 75 (O’Donnell) K-14 Facilities Bond
Would authorize a general obligation bond to fund facility construction and modernization for K-14 facilities of $12 billion.

SB 22 (Glazer) K-16 Facilities Bond
Would authorize a general obligation bond of $15.5 billion to fund facility construction and modernization for K-16 facilities. Funding authorized for higher education entities this bond would be split equally between systems, not equitably.
Bills for Discussion:
Human Resources and Student Services

AB 1505 (Rodriguez) Faculty Obligation Number
Would re-bench the faculty obligation number to reported Fall 2023 full-time faculty numbers and be adjusted annually after.
Staff Recommendation: OPPOSE

AB 1691 (Medina) Classified Employees
Currently, classified employees can elect to defer a part of their compensation during the school year to be paid out during the summer if their district participates in the classified school summer assistance program. This bill would increase funding for the program and permit community college districts to participate in the program.

SB 885 (Laird) Community College Foster Youth
Currently, up to 20 community colleges may participate in the cooperating Agencies Foster Youth Education Support Program, which provides additional funding and support for former foster youth enrolled at the colleges. This bill would eliminate the 20-district limit.
QUESTIONS
Federal Update
Federal Update: 
Build Back Better

• President Biden’s proposal to provide significant budget increases for climate, health and human services, and education programs has stalled.

• Free community college provisions amended out bill.

• Approaching midterm election and the pending retirement of Supreme Court Justice Breyer makes reaching a deal less likely.

• No signal that a stand-alone reauthorization to the Higher Education Act will occur.
Thank You!