



GOVERNMENT RELATIONS UPDATE

Advisory Committee on Legislation | August 2020



COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



Agenda

Federal Update

Legislative Update

Fall Study Topics

Budget Update

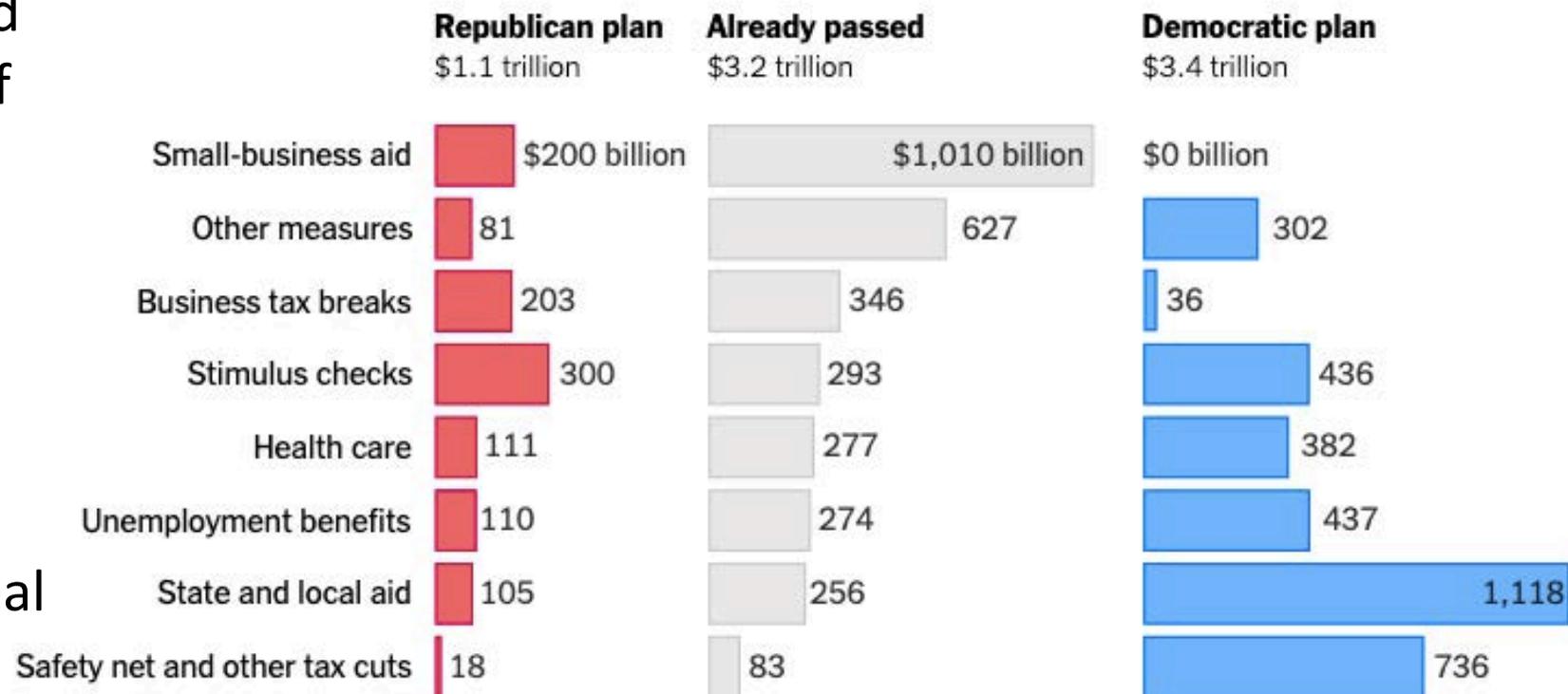
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Federal Update



Stimulus 4.0: Competing Proposals

- Senate Republicans unveiled proposal for fourth round of stimulus funding.
- Significant differences between Republican and Democrat proposals.
- Short timeline to reach a deal





Stimulus 4.0: Issues to Resolve

Level of stimulus funding.

- Democrats: \$3.4 Trillion
- Republicans: \$1.1 Trillion

Supplement to Unemployment Insurance

- Democrats: \$600 a week.
- Republicans: \$200 a week.

Assistance to state and local governments.

- Democrats: \$915 Billion
- Republicans: \$0

Liability protections related to COVID-19 lawsuits.



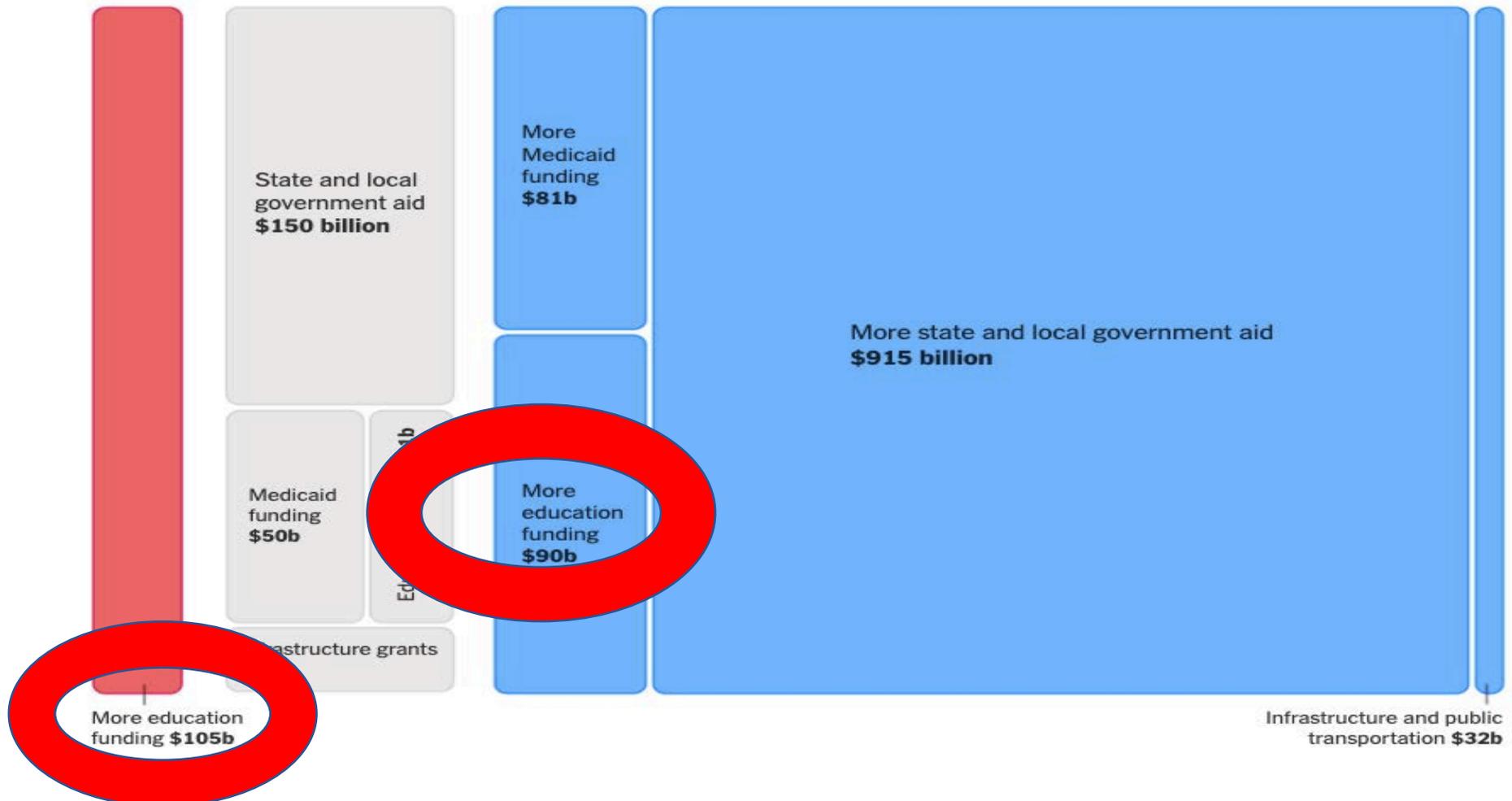


Stimulus 4.0:

Assistance to State and Local Governments

Republican plan Already passed

Democratic plan





HEALS Act: Higher Education Provisions

Senate Republican Proposal:

- \$105 Billion for Education
- \$29 Billion for Higher Education.

Allocation Formula:

- 90% Pell FTES, 10% FTES

Other Provisions:

- No institutional reopening requirements or incentives for higher education.
- Colleges have discretion on how level of allocated dollars to students.
- Liability protections intended to protect businesses also apply to colleges.





HEROES Act: Higher Education Provisions

House Democratic Proposal:

- \$90 Billion for Education
- \$27 Billion for Higher Education.

Allocation Formula:

- 75% Pell Headcount, 25% Headcount

Other Provisions:

- Department of Education is prohibited from establishing eligibility restrictions that go beyond what is in the HEROES Act.
- Half of allocated funds would be required to be spent on direct student aid.





Stimulus 4.0: Stalled Negotiations

Senate and House have gone into recess without reaching a deal.

No timeline on when a deal might be reached.

Significant divisions among Senate Republicans appear to make it difficult for a cohesive Republican position.

Trump Executive Orders:

- Four executive orders relating to student loans, study of prohibiting evictions, and increase unemployment insurance.
- Constitutionally suspect.
- Largely ineffective
- Student loan executive order would exempt student loan payments through the end of the year.



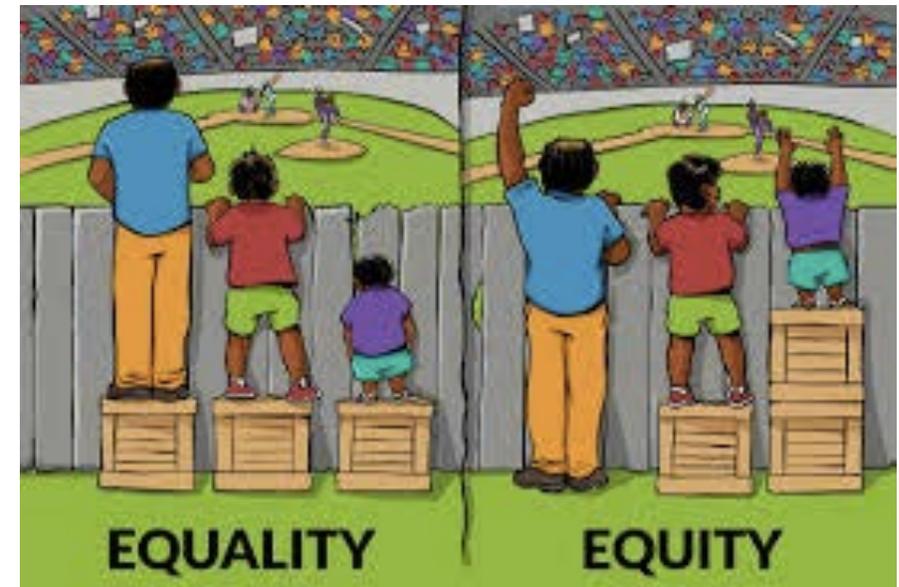


Stimulus 4.0: Allocation Formula

The lowest resourced sector that serves the largest number of both students and lower-income students received disproportionately the least funding than the other sectors.

Comparison of Proposed Funding Mechanisms				
	Percent Students	CARES Act	HEROES Act	HEALS Act
Public Four-Year	34%	44%	51	45%
Two-year	39%	27%	49%	31%
Non-profit Four Year	18%	18%	N/A*	N/A*
Private for-profit	9%	9%	N/A*	N/A*

Data provided by the Association of Community College Trustees and the American Association of Community Colleges.



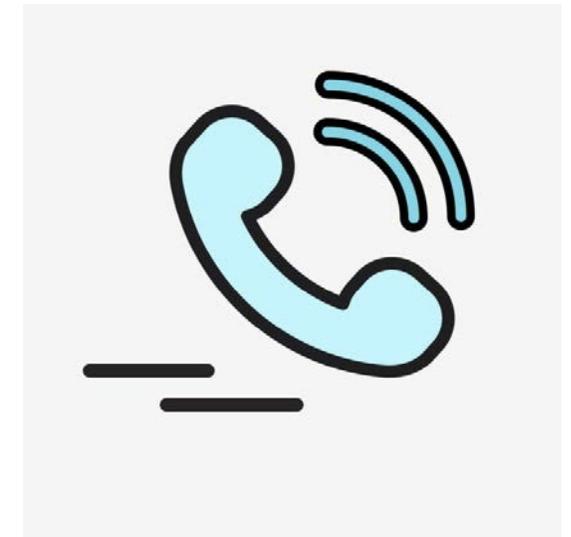
*Non-profit four years and for-profit are in different pots of money and follow a different set of so where in this included in this chart. If all pots of money were included, the share of public four year and community colleges would likely go down.



Stimulus 4.0:

Contact Your Congressional Reps

- Critical that your college understands the importance of utilizing headcount over FTES to fund our colleges at the appropriate level.
- Contact your congressional representatives.
- Not a partisan issue – Senators and Republican/Democrat Congressmembers need to be contacted.
- To find your congressional representative, click here:
<https://www.house.gov/representatives/find-your-representative>





Stimulus 4.0: Other League Activities

A call to action will go out to League membership with a script and facilitated the ability to contact congressional members.

League is working with targeted districts to ask to sign on:

- Districts with members close to Speaker Pelosi.
- Districts with members that are primarily served by community colleges, not CSU.

League staff will call all members of the delegation, emphasizing the importance of a formula based on head count.

League staff is here to assist you if you are looking for additional information on ways to get in talk with your congressional representative.



Stimulus 4.0: More Materials

AACC and ACCT Letter on Headcount:

https://www.ccleague.org/sites/default/files/pdf/federal-advocacy/aacc_acct_headcount_letter.docx

AACC Analysis on Headcount:

https://www.ccleague.org/sites/default/files/pdf/federal-advocacy/202007_aacc_headcount_analysis_final.pdf

Inside Higher Education Article:

<https://www.insidehighered.com/news/2020/08/03/congress-aid-discriminates-against-colleges-serving-minorities-groups-warn>

ACCT Article:

<http://perspectives.acct.org/stories/a-more-equitable-stimulus-formula-for-community-colleges>



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Legislative Update



COVID-19 and the Legislative Process

Legislators and staff have tested positive for COVID-19.

Delayed in the second house policymaking process.

Compressed what is normally a three-month legislative process into 5 weeks.

Most policy committees have only met once.

- Example: The Senate Business and Professions Committee met for almost 7 hours to consider 28 bills on a Saturday.





Bills for Discussion

Academic Affairs:

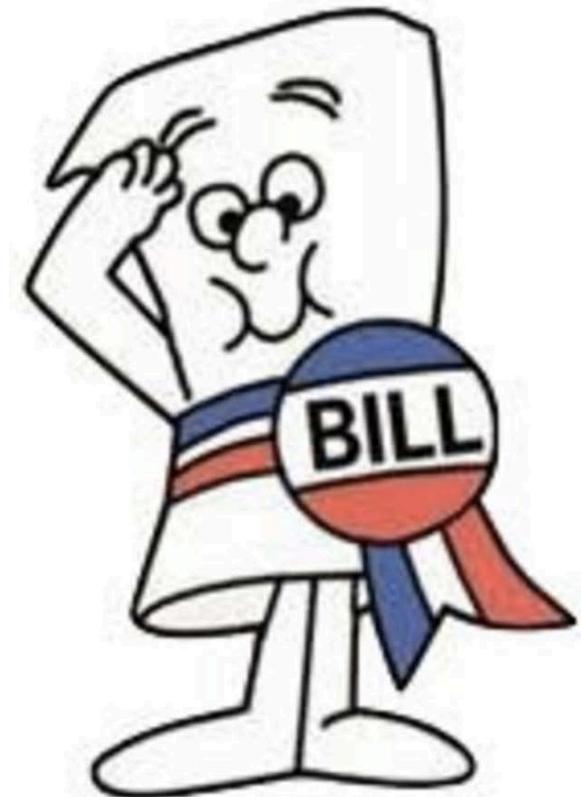
- AB 1460 (Weber) CSU Ethnic Studies
- AB 2288 (Low) Nursing Programs
- AB 2416 (Gabriel) Satisfactory Academic Progress

Basic Needs:

- AB 2884 (Berman) Lottery Dollars
- SB 1232 (Glazer) Cal Works

College Operations:

- AB 1759 (Salas) Liability Protections
- SB 1173 (Durazo) Employee Info





Bills for Discussion: Academic Affairs

AB 1460 (Weber) Ethnic Studies

Would require the California State University make a a three-unit ethnic studies course as a graduation requirement. The CSU has adopted an alternative ethnic studies requirement.

Signage or veto will likely influence discussion on ethnic studies at the

Location: On Governor's Desk

AB 2288 (Low) Nursing Programs

Would provide more flexibility for nursing programs facing a reduction in clinical training hours due to the COVID-19 crisis.

Location: Senate Appropriations Committee

AB 2416 (Gabriel) – Satisfactory Academic Progress

Would require colleges to consider homelessness as a mitigating factor when considering appeals for students who fail to maintain satisfactory academic progress.

Location: Senate Appropriations Committee



Bills for Discussion: Basic Needs and Human Resources

AB 2884 (Berman) Lottery Dollars

Would permit lottery dollars to be spent on student basic needs such as food and housing assistance.

Location: Senate Committee on Governmental Organization

SB 1232 (Glazer) CalWORKs

Would permit CalWORKs recipients at public universities to receive a \$500 per semester benefit to pay for books and permit them to request reimbursement for classroom-related expenses above the allocated \$500. Implementation of the bill is contingent on an appropriation via the state budget, which did not occur for 2020-21.

Location: Assembly Appropriations Committee





Bills for Discussion: College Operations

AB 1759 (Salas) Liability Protections

Would enhance liability protections from frivolous lawsuits related to COVID-19 infections for institutions of higher education, including community colleges.

Location: Senate Judiciary Committee.

SB 1173 (Durazo) Employee Info

Would permit the Public Employment Relations Board to assess penalties on public employers, including community colleges, if they do not send correct new and current employee contact information on a specified basis to their collective bargaining units.

Location: Assembly Committee on Appropriations



2021: Looking Ahead

COVID-19 forced a significant reduction of bills for the legislature to consider.

Reduced budget expenditures will make bills with significant costs to make it more difficult to go forward.

Issues to expect:

- Financial Aid Reform
- Student Basic Needs
- Access to Broadband
- Elimination of differential pay for faculty in favor of extended sick leave.
- Board of Registered Nursing sunset review.
- Ethnic Studies
- Police training curricula and local law enforcement practices.
- Shortened probation time for newly hired classified employees.





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Budget Update



2020-21 Advance Apportionment Memo



California Community Colleges

MEMORANDUM

Apportionments 20-01 | Via Website

July 30, 2020

TO: Chief Executive Officers
Chief Business Officers
District Staff

FROM: Fiscal Services Unit
College Finance and Facilities Planning Division

RE: 2020-21 Advance Principal Apportionment



Impact of Deferrals

2019-20

- A deferral of \$330.1 million

2020-21

- A deferral of \$662.1 million

2020-21

- An additional deferral of \$791.1 million, in the absence of additional federal funds.



Revenue Deficit

“Despite aligning major components of the SCFF to estimates used at the Budget Act, there remains a **slight shortfall** in estimated General Fund need versus appropriated General Fund.

To align General Fund disbursements with available resources, a **proportional reduction of 0.35%** to almost all districts is required. “



Impact of Deferrals





Deferrals

“The current estimated SCFF apportionment need is **\$2.6 billion**, leaving slightly more than **\$1.1 billion** available to fund the SCFF budget schedule for **the first 7 months** of the fiscal year before deferrals become applicable. However, based on the traditional monthly apportionment schedule, available General Fund for the SCFF will be exhausted in November.

To address this situation, **the Budget Act provides authority for the Chancellor’s Office to use funds from categorical programs** for the SCFF budget schedule to the extent necessary to ensure the deferrals begin according to the schedule in statute and that SCFF apportionments are funded for the first 7 months of the year. “

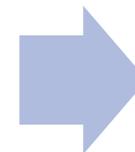


2020-21 SCFF Apportionment

SCFF is \$2.6 Billion



Deferrals
represents almost
\$1.5 Billion



\$1.1 Billion
available



Deferrals: Backfilled with Categoricals

“Chancellor’s Office plan to complete an **August revision** to the Advance apportionment that reflects a backfill from categorical funds that allows for SCFF payments to be made through **January** with deferrals becoming effective in **February**, consistent with the 2020 Budget Act.

Additional detail on which **categorical program will be deferred** will be provided in the revised Advance apportionment.”

