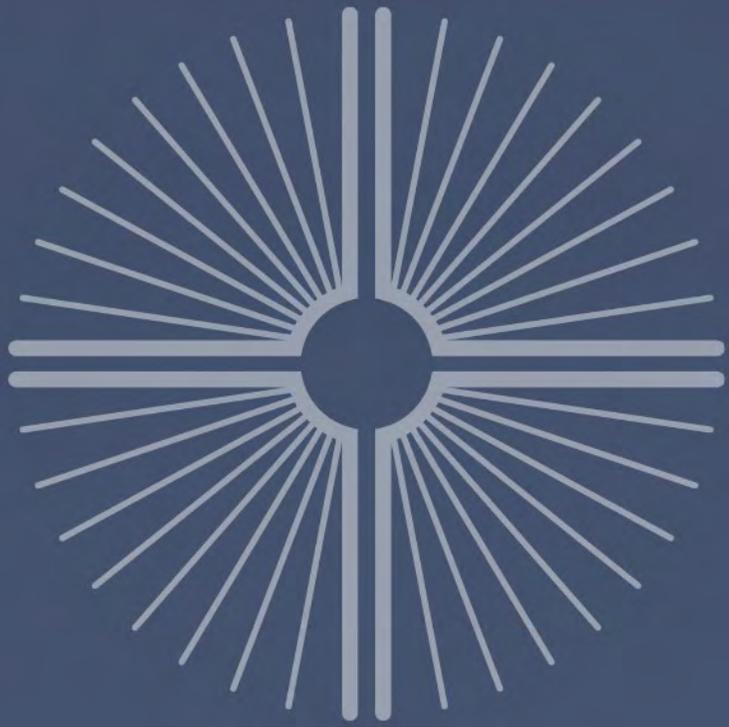


Government Relations Update

January 29-30, 2022



- ▶ Approval of Talking Points
- ▶ Overall Budget
- ▶ Enrollment Strategies
- ▶ How to Engage the Budget Process
- ▶ Legislative Update
- ▶ Federal Update



2022 Legislative Talking Points

League 2022 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.

League 2022 Talking Points

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.

League 2022 Talking Points



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:

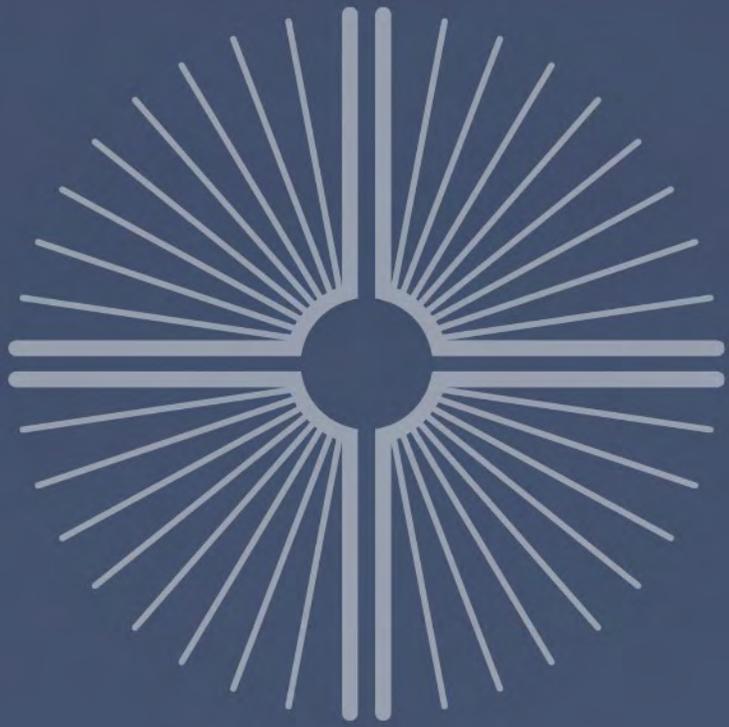


LEAGUE STAFF WOULD LIKE
TO SEEK THE APPROVAL OF
TALKING POINTS



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

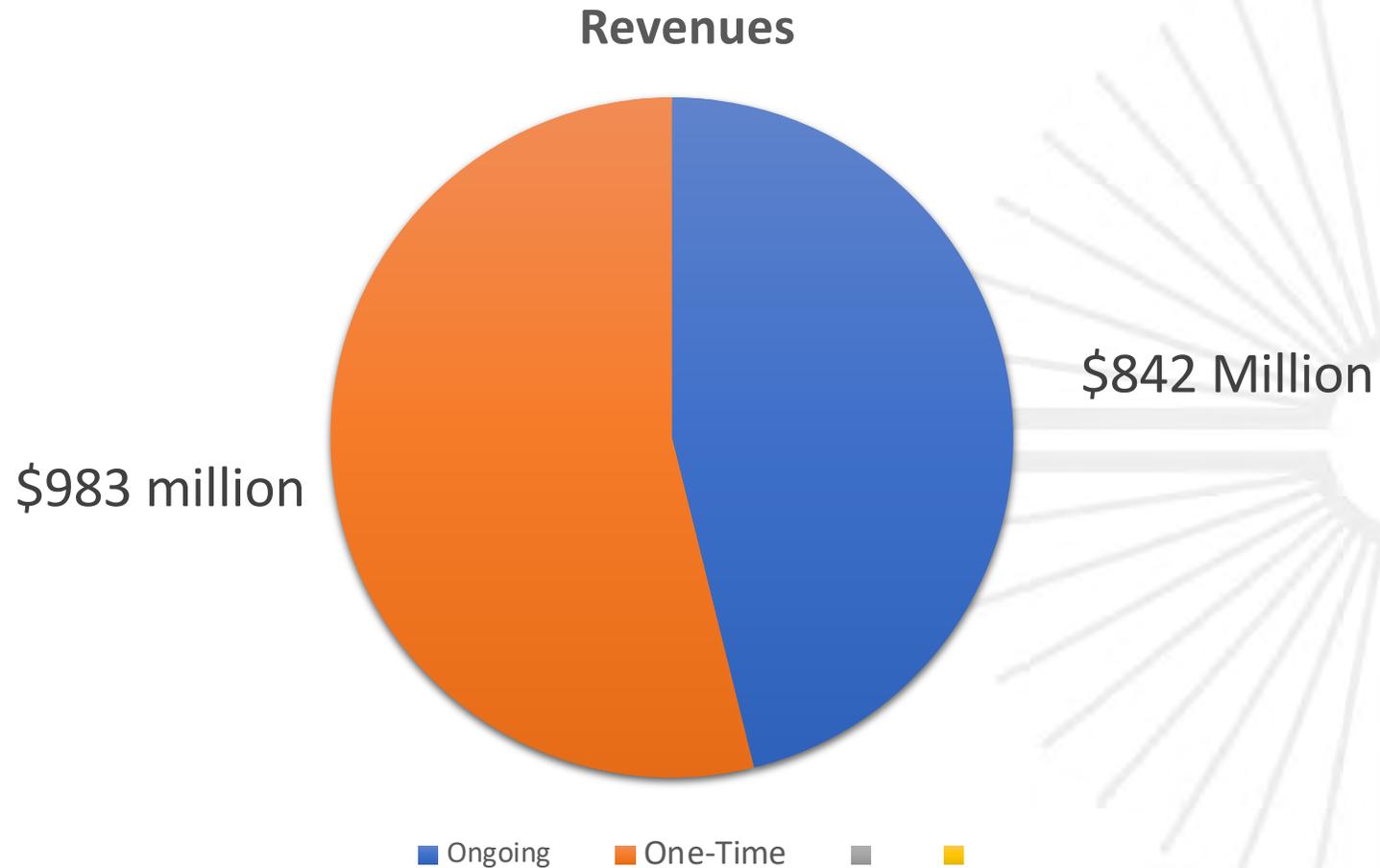
The Budget projects the State Appropriations Limit or "Gann Limit" will likely be exceeded in the 2020-21 and 2021-22 fiscal years.

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



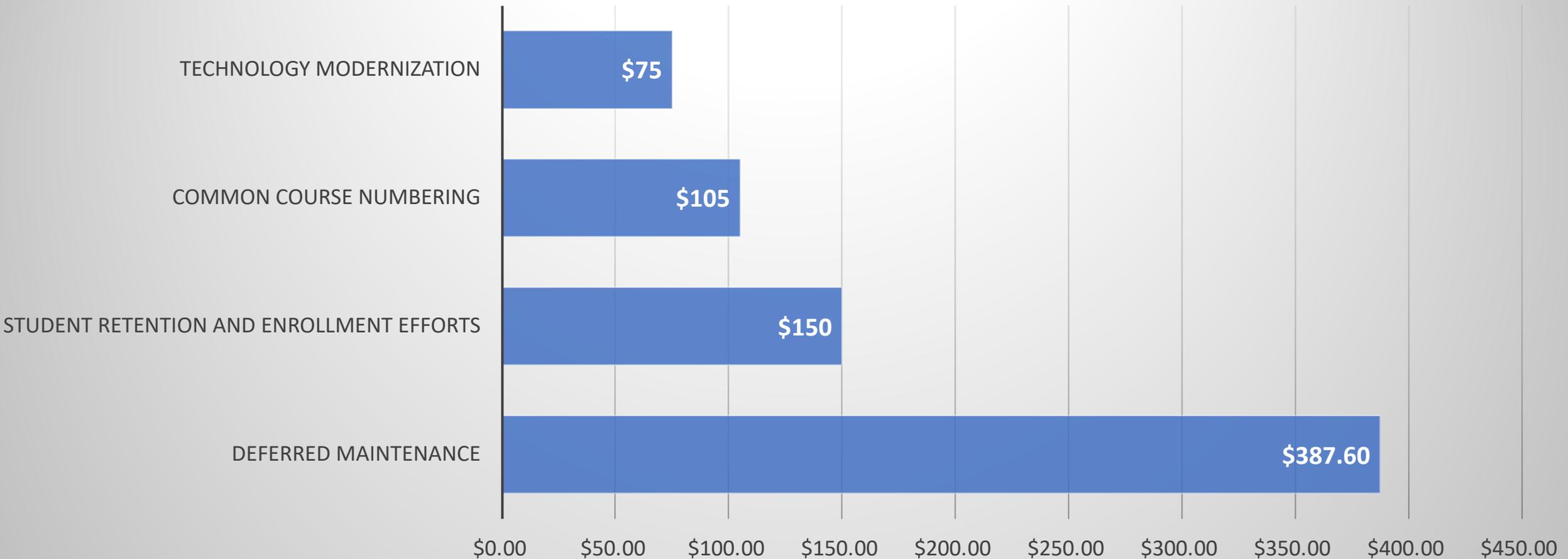
Ongoing Investments: \$842 Million

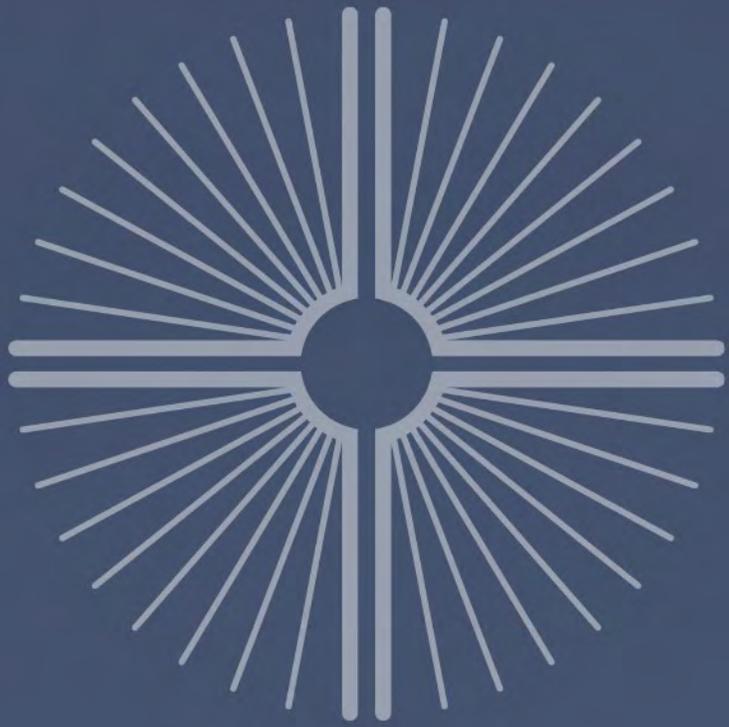
In Millions



One-Time Investments: \$983 Million

In millions



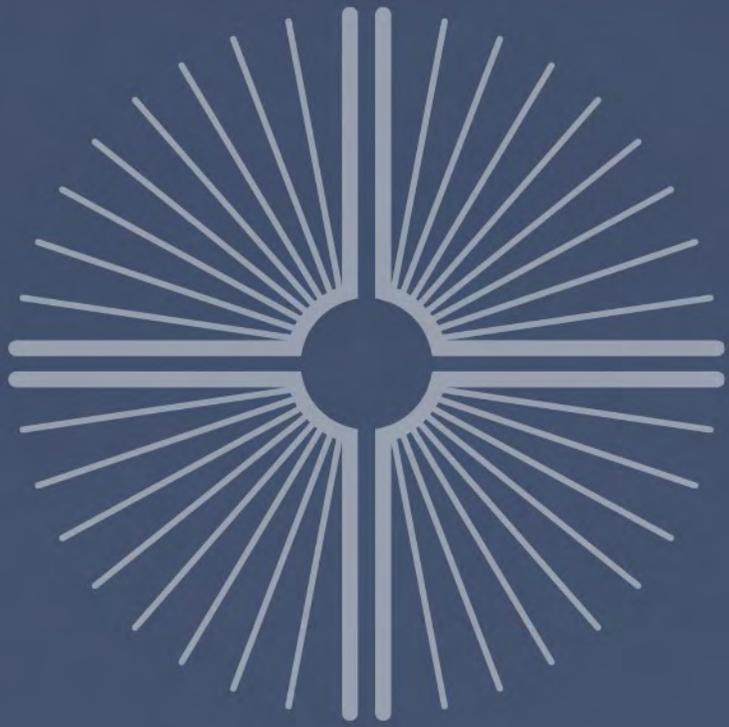


Enrollment Strategies

Action Item:

- Proposed correspondence to Chancellor Eloy Oakley
 - Seeking a taskforce to conduct research on enrollment strategies





Budget Process



Budget Process

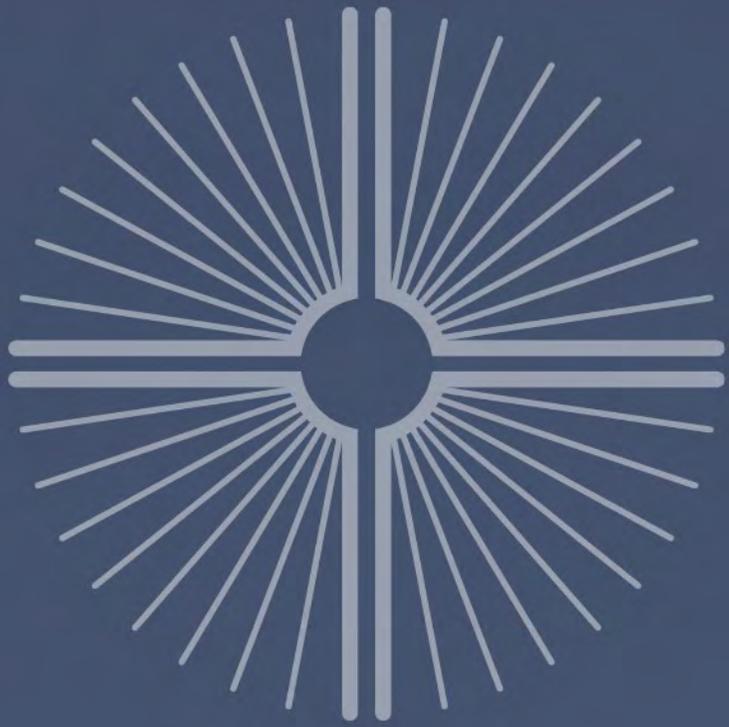
- January-February
 - Legislative Analyst's Office releases their analysis
 - Budget and spot bills introduced
- March-May
 - Sub-committees meet and take actions
 - Sends report back to Budget Committee
- May -June
 - May Revise is released by Governor
 - Sub-Committee and Budget Committee assess changes
 - Conference Committee and final deliberation with Administration
 - Legislature acts by June 15
 - Governor signs by the end of June



Engaging the Budget Process

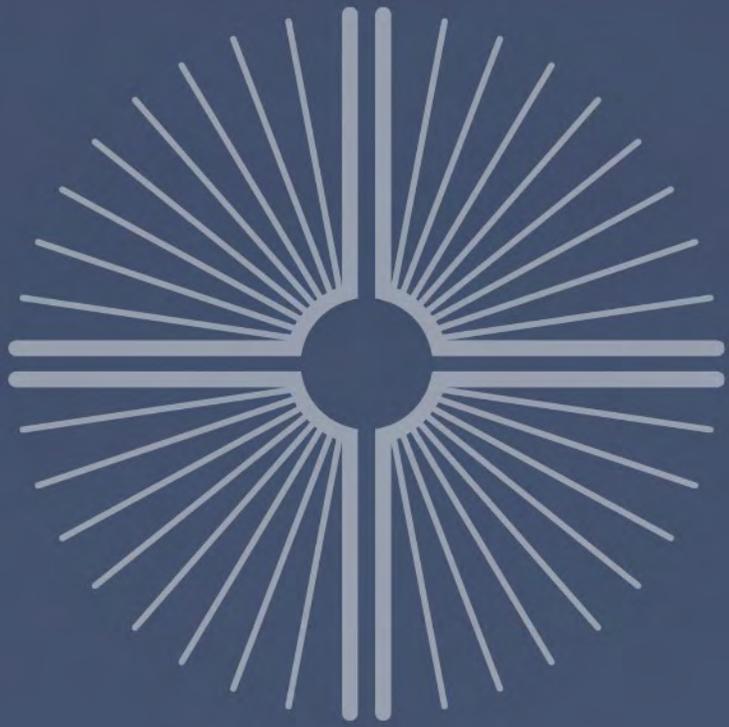
- Via the subcommittee process
 - Remote testimony if applicable
 - Letters in support of CCC budget
- As part of the May Revise process
 - Engage your delegation
 - And sub-committee members





QUESTIONS





Legislative Update



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.

Potential COVID exposure sidelines legislators



BY ALEXEI KOSEFF, JANUARY 6, 2022 UPDATED JANUARY 9, 2022



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

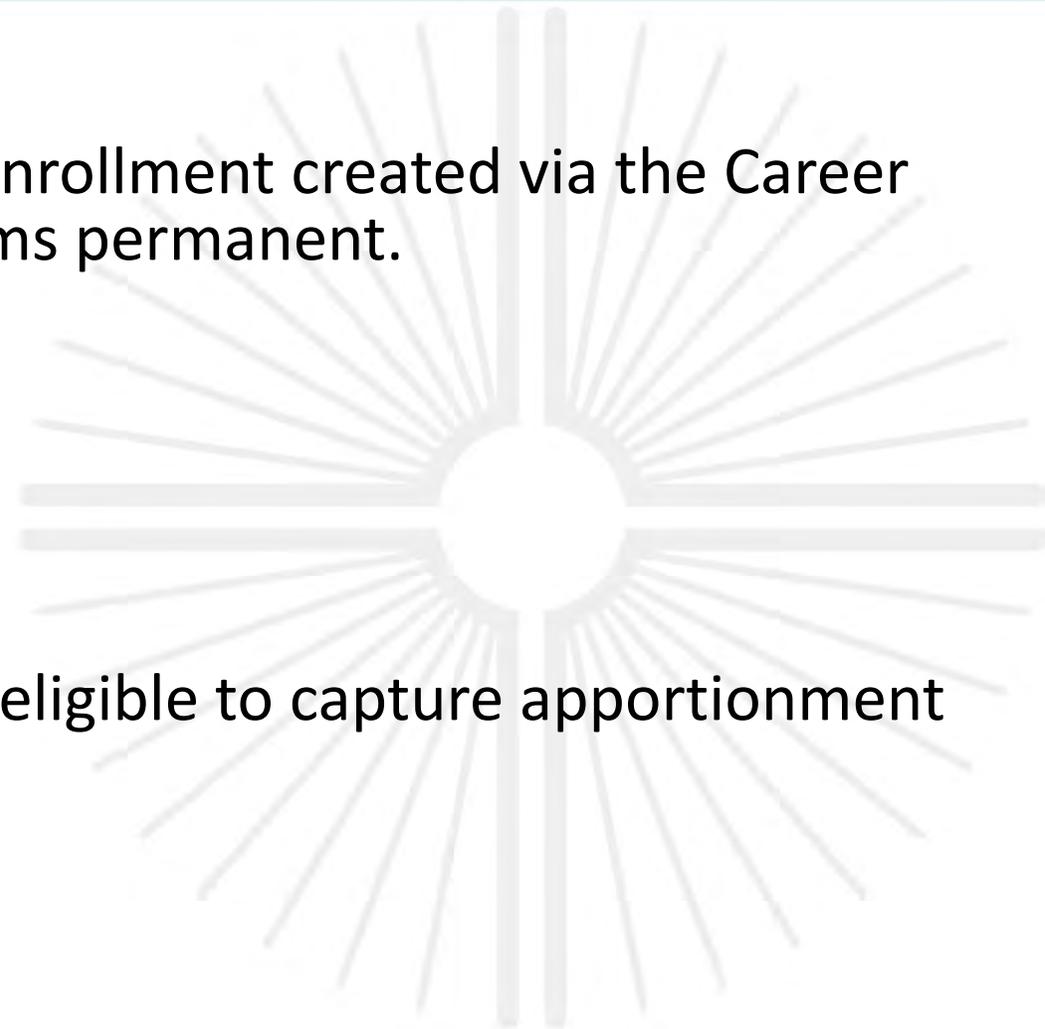
Would eliminate the sunset date authorizing dual enrollment created via the Career and College Pathways program, making the programs permanent.

League Position: **SUPPORT**

AB 1187 (Irwin) Supervised Tutoring

Would make supervised tutoring for credit courses eligible to capture apportionment funding.

League Position: **SUPPORT**



Bills for Discussion: Academic Affairs

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) Specifies 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.

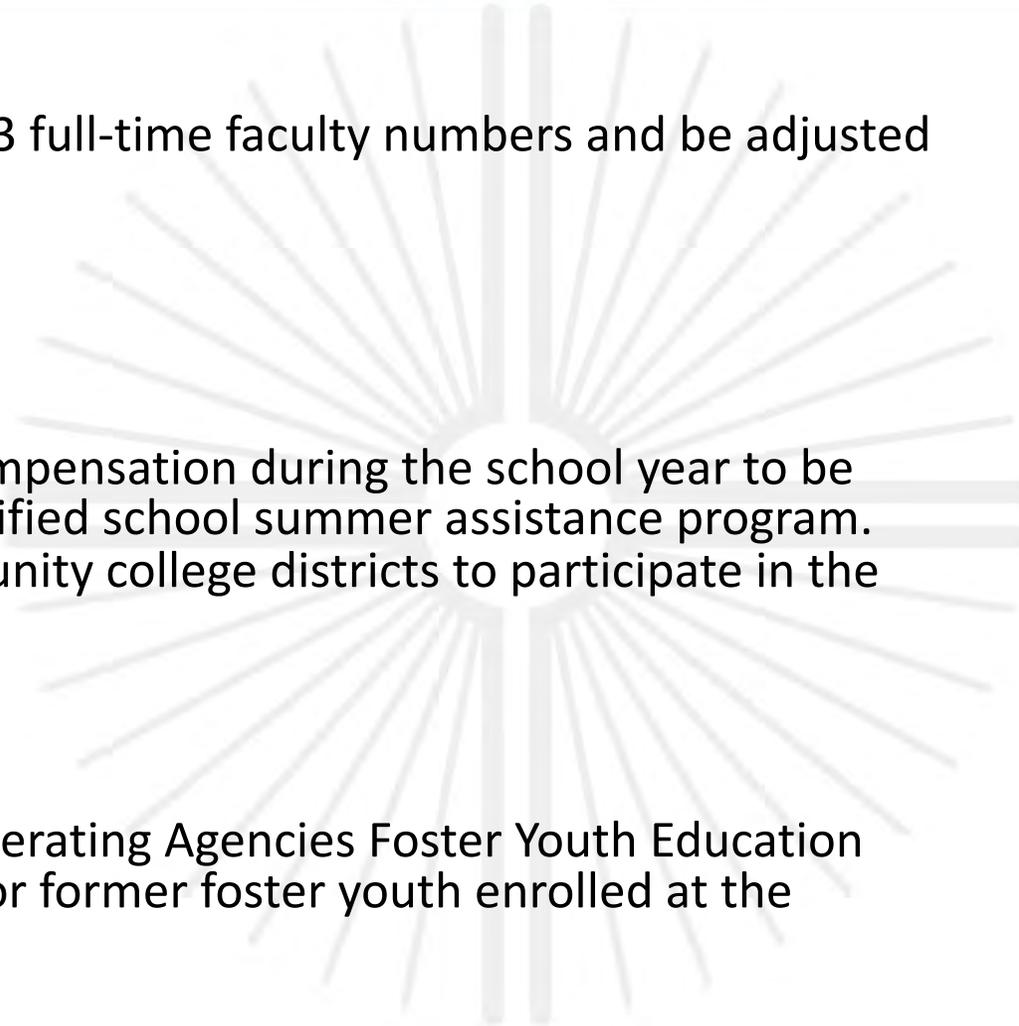
Staff Recommendation: **OPPOSE**

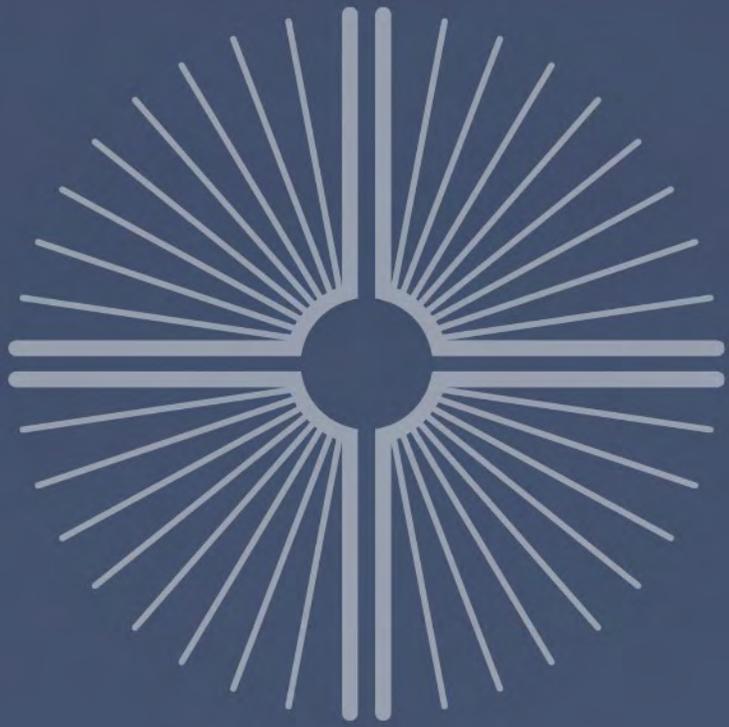
AB 1691 (Medina) Classified Employees

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

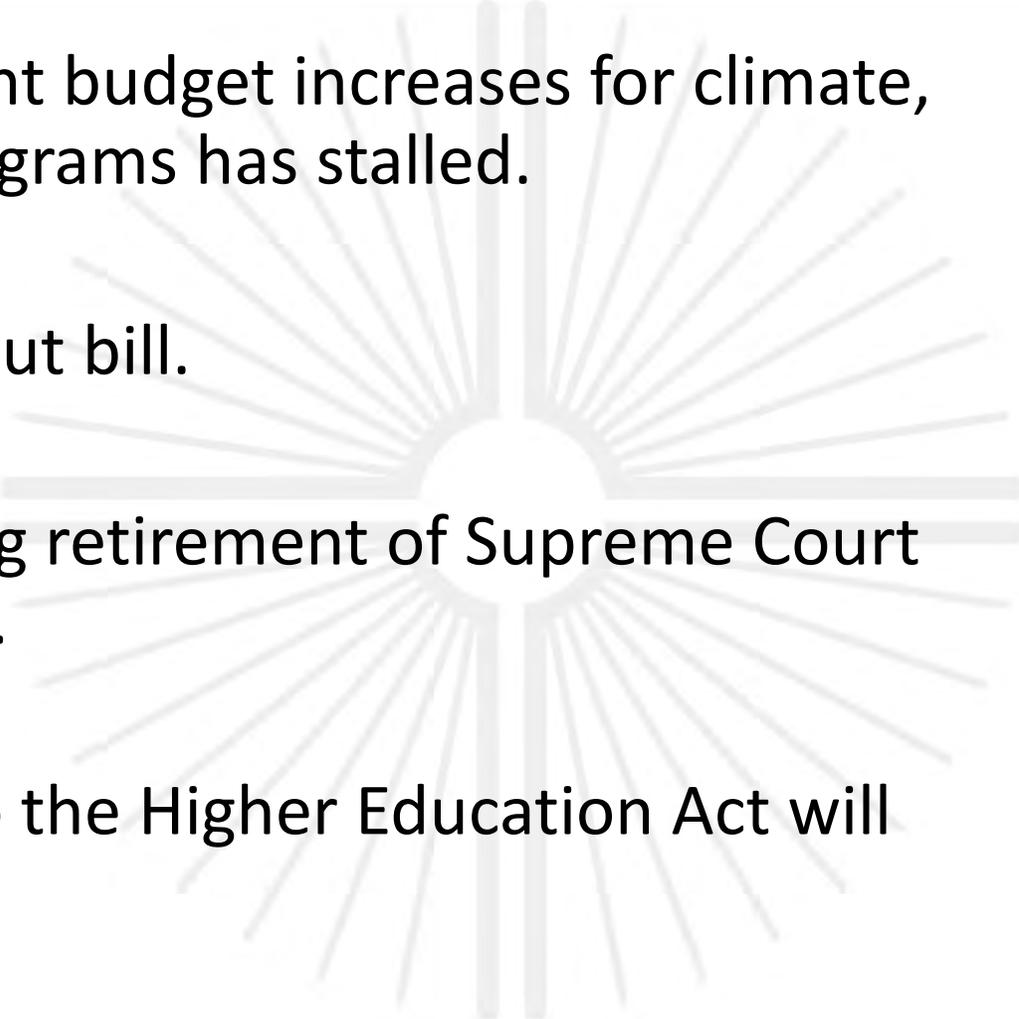


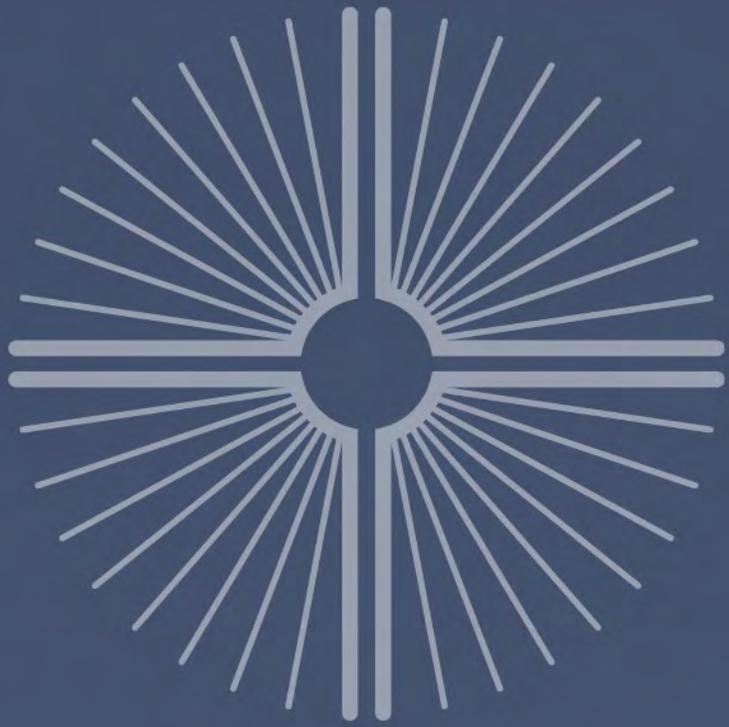


Federal Update



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!

