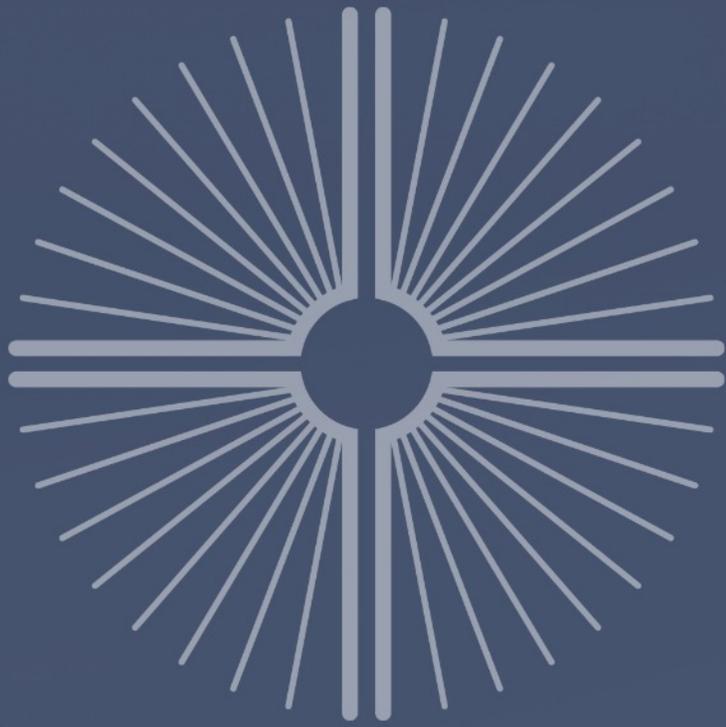
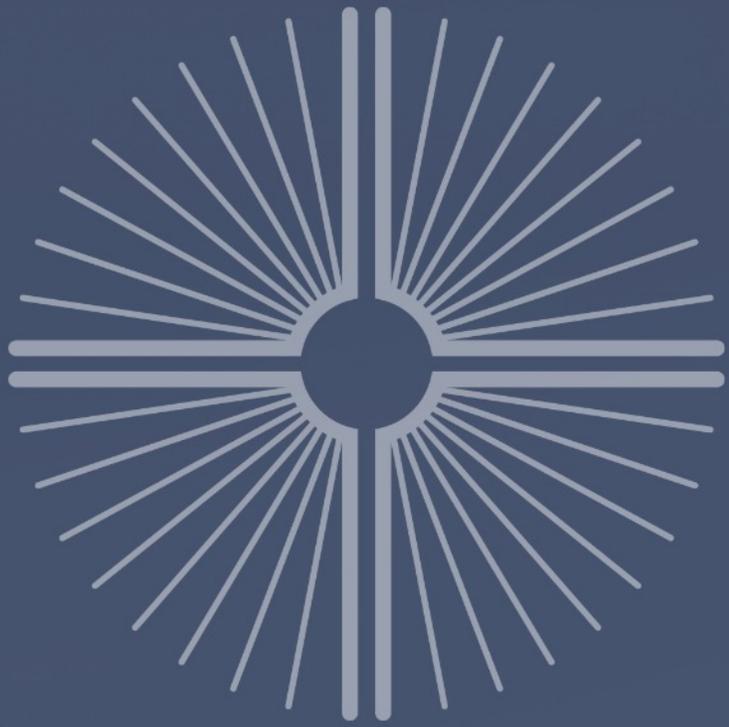


# Advisory Committee on Legislation

May 23, 2023



- ❖ May Revision Update
- ❖ Legislative Update
- ❖ Federal Update
- ❖ Legislative Conference  
Speakers/Issues



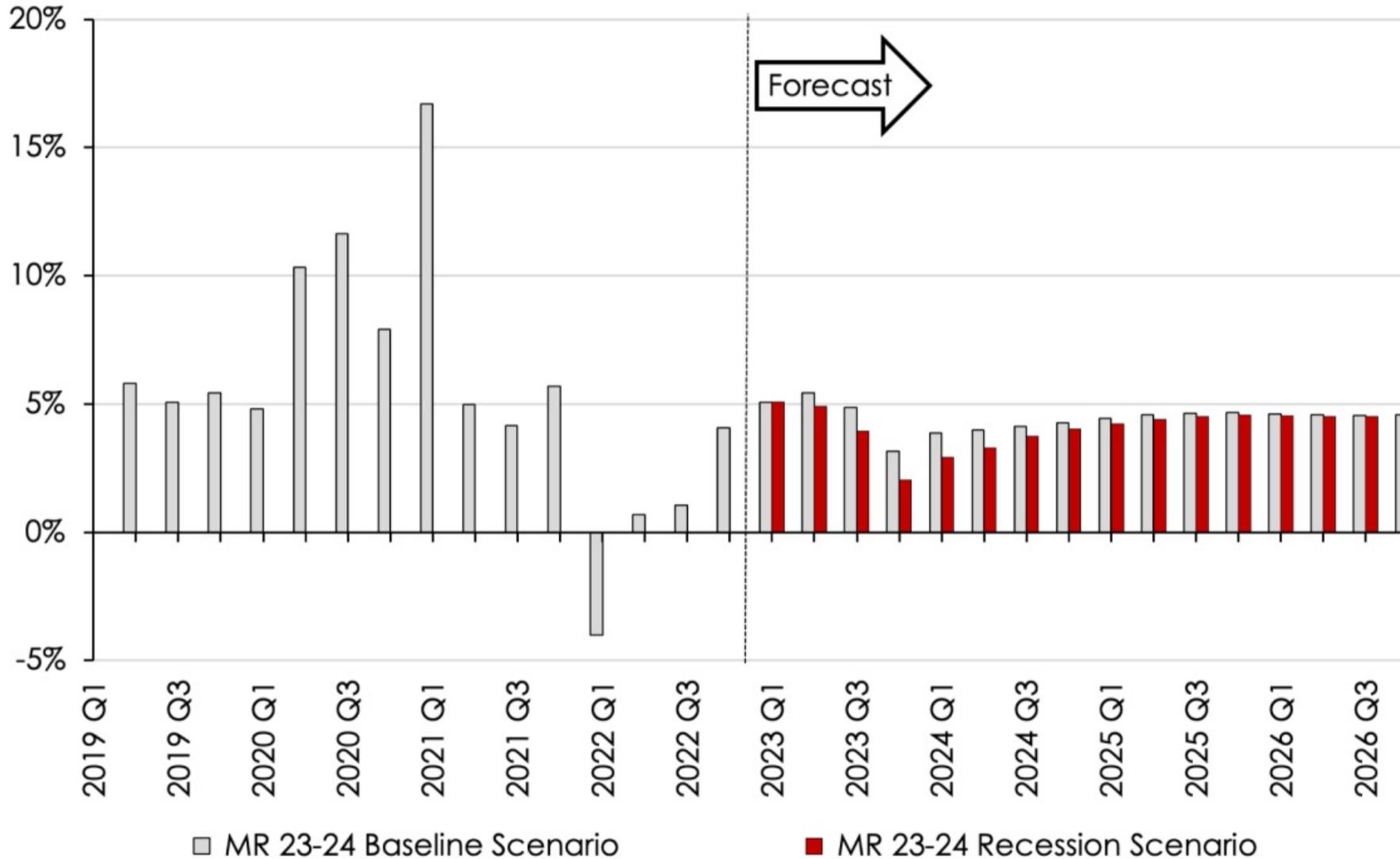
# May Revision Update

**General Fund Expenditures by Agency**  
(Dollars in Millions)

	2022-23	2023-24	Change from 2022-23	
			Dollar Change	Percent Change
Legislative, Judicial, Executive	\$18,407	\$9,630	-\$8,777	-47.7%
Business, Consumer Services & Housing	3,740	1,448	-2,292	-61.3%
Transportation	1,986	1,190	-796	-40.1%
Natural Resources	15,943	7,512	-8,431	-52.9%
Environmental Protection	3,892	339	-3,553	-91.3%
Health and Human Services	62,644	73,244	10,600	16.9%
Corrections and Rehabilitation	15,695	14,676	-1,019	-6.5%
K-12 Education	77,019	78,871	1,852	2.4%
Higher Education	22,659	22,598	-61	-0.3%
Labor and Workforce Development	1,274	856	-418	-32.8%
Government Operations	6,892	4,439	-2,453	-35.6%
General Government:				
Non-Agency Departments	2,557	2,443	-114	-4.5%
Tax Relief/Local Government	668	559	-109	-16.3%
Statewide Expenditures	3,096	6,295	3,199	103.3%

## Personal Income Growth Comparison

(Year-over-year % Change)



Source: U.S. Bureau of Economic Analysis, CA Department of Finance, 2023-24 May Revision Forecast.



CALIFORNIA  
COMMUNITY  
COLLEGES  
2023-24 May  
Revision

“The May Revision continues to reflect a focus on the CCC multi-year roadmap, which focuses on

- equity,
- student success,
- and enhancing the system’s ability to prepare students for California’s future.”

# Most Significant Changes

Ongoing versus one-time funding

COLA Increase

Deferred Maintenance/Covid 19 Block Grants reductions

Affordable Housing (general fund)

Flexibility for certain categoricals

# Cost-Of-Living Adjustment

January 2023

An increase of \$652.6 million ongoing Proposition 98 General Fund

- Or 8.13-percent Cost-of-Living Adjustment (COLA) for Student Centered Funding Formula apportionments

May 2023

An increase of \$25.4 million ongoing Proposition 98 General Fund

- or 8.22 percent Cost-of-Living Adjustment (COLA) for student Centered Funding Formula Apportionments

# Other Categorical Cost-Of-Living Adjustment

January 2023



An increase of \$92.5 million ongoing Proposition 98 General Fund to provide an 8.13-percent COLA for select categorical programs and the Adult Education Program.



May 2023



An increase of an additional \$3 million ongoing Proposition 98 General Fund to provide an 8.22-percent COLA for select categorical programs and the Adult Education Program.

# Enrollment Growth

January 2023

\$28.8 million ongoing Proposition 98 General Fund

Or 0.5-percent enrollment growth.

May 2023

a decrease of \$2.4 million ongoing Proposition 98 General Fund

To sustain a 0.5 percent student enrollment

# Fund budget year apportionment with one-time resources

An increase of approximately  
\$503 million one-time Prop 98  
funds allocated to support SCFF  
increase in 2023-24.



# Deferred Maintenance



January 2023



A decrease of approximately \$213 million one-time Proposition 98 General Fund for deferred maintenance needs.



May 2023



A decrease of approximately \$452 million one-time Proposition 98 General Fund for deferred maintenance needs.

# Student Enrollment & Retention



January 2023



An increase of \$200 million one-time Proposition 98 General Fund to continue to support community college efforts and focused strategies to increase student retention rates and enrollment,



May 2023



Now only \$100 million one-time Proposition 98 General Fund to continue to support community college efforts and focused strategies to increase student retention rates and enrollment,

# COVID-19 Block Grant

---

A decrease of \$345 million one-time Proposition 98 General Fund in support of the California Community College COVID-19 Recovery Block Grant,

bringing the block grant amount to \$305 million one-time Proposition 98 General Fund,

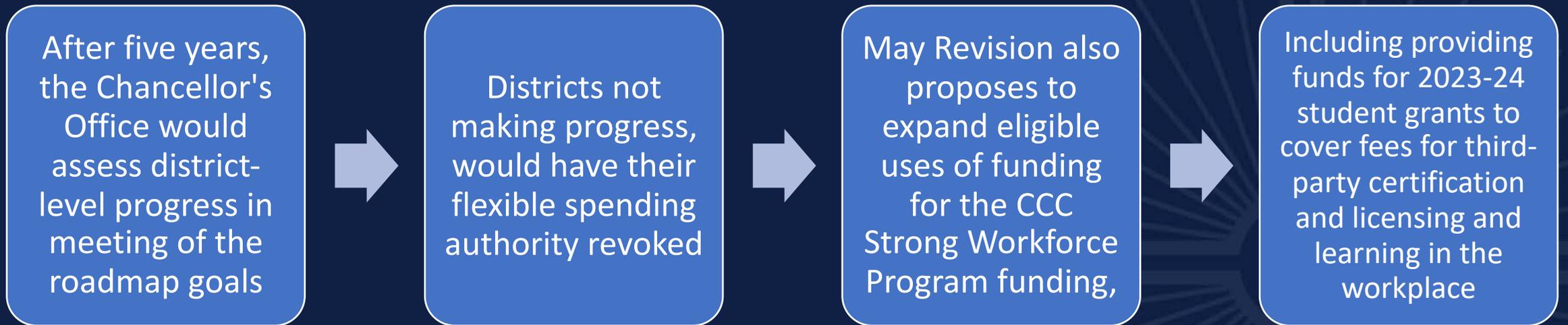
reflecting revised estimates of available Proposition 98 resources



# Additional Flexibility

---

# Additional Flexibility



# Student Success and Completion Grant Program

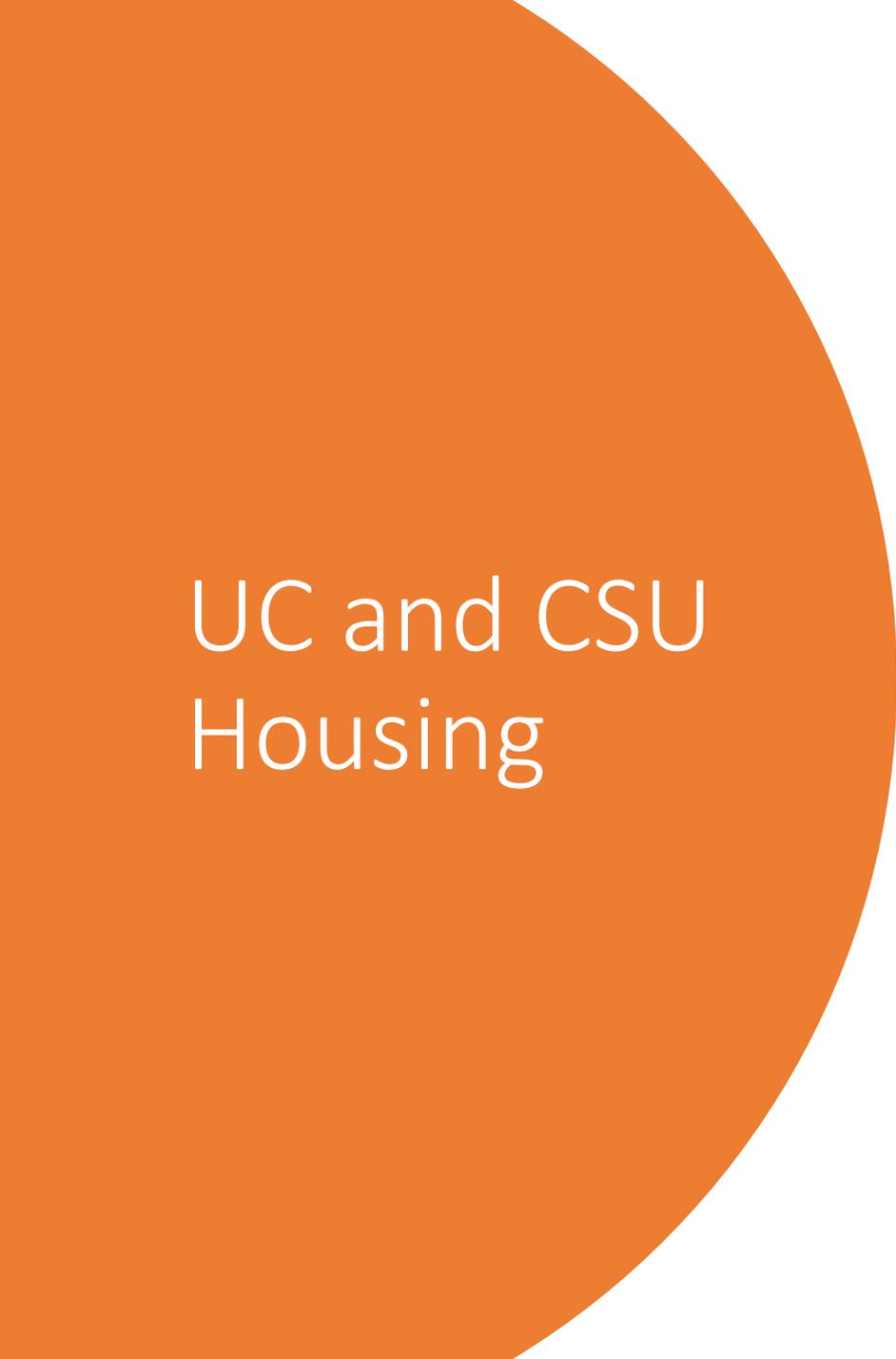
\$50 million one-time Proposition 98 General Fund reduction

Reflects revised program participation estimates,

Bringing the cumulative 2023-24 support for this program to a total of approximately \$362.6 million Proposition 98 General Fund.

# Housing

- a) The Governor's Budget proposed \$500 million one-time General Fund for 2023-24
- b) and \$250 million one-time General Fund for 2024-25 for affordable student housing projects.
- c) The May Revision instead proposes \$450 million one-time General Fund for 2023-24 and \$95.4 million one-time General Fund for 2024-25 for CCC affordable student housing projects.



## UC and CSU Housing

---

The May Revision also proposes to shift approximately \$1.1 billion

---

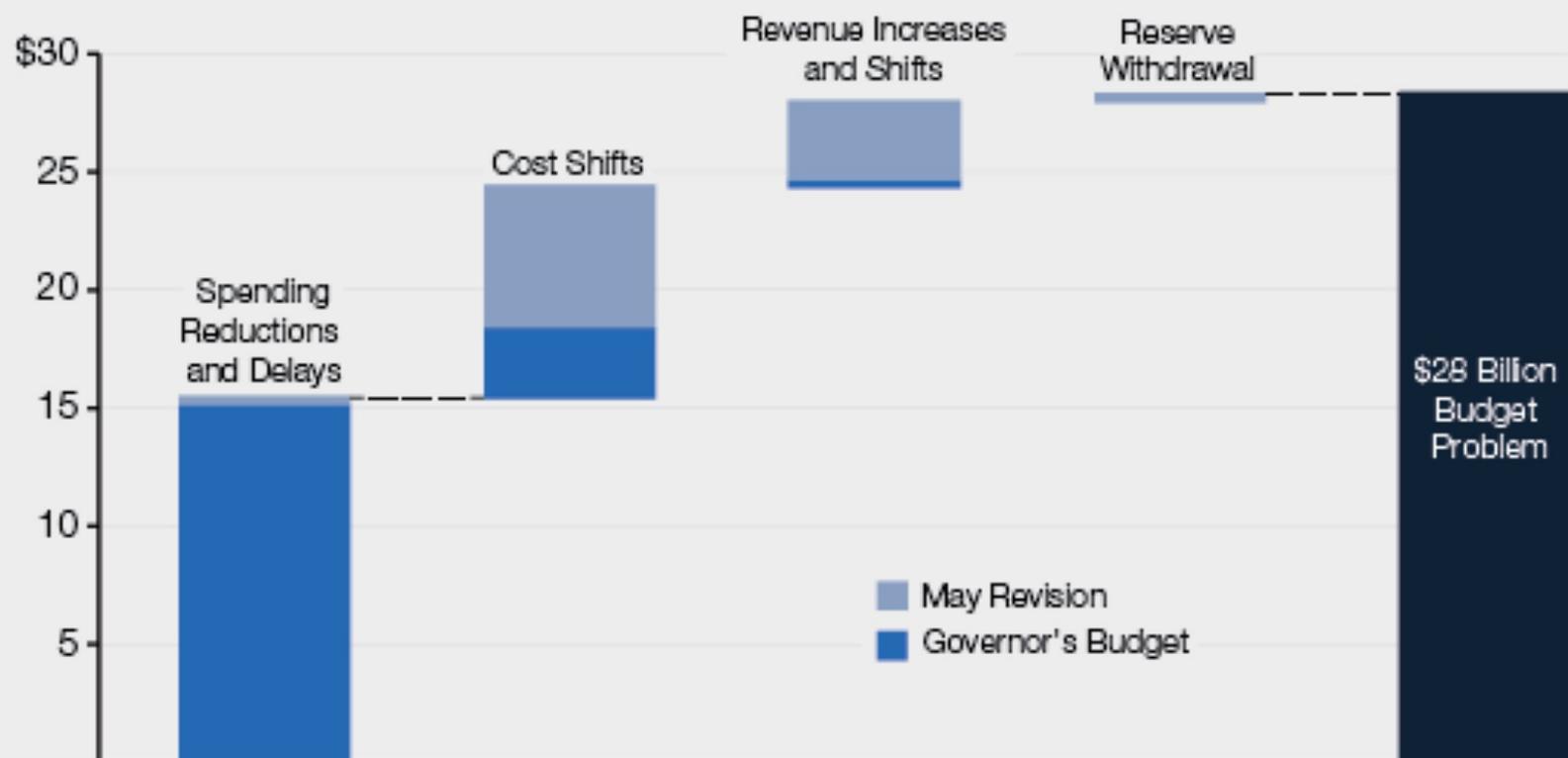
In current and planned General Fund support for UC and CSU affordable student housing grants from General Fund to UC- and CSU-issued bonds

---

And reflects an increase of \$75 million ongoing General Fund to support the underlying debt service on those bonds.

# How the May Revision Addresses a \$28 Billion Budget Problem

(In Billions)



# Legislative Analyst's Office Initial Budget Response

*May Revision Predicated on Optimistic Revenues.*

*Budget Problem Magnified by New Proposals.*

*Revenues Estimates Are Always Uncertain.*

*Adopting Administration's Revenue Estimates Sets Up Difficult January.*

*Spending Reductions for 2023-24 Will Be More Challenging Next Year.*

# Legislative Analyst's Office Recommendations:

LAO expressed concerns with COLA using one-time revenues



Encouraged a lower COLA, like 5%



Would allow state to fund items like deferred maintenance

# Subcommittee Process

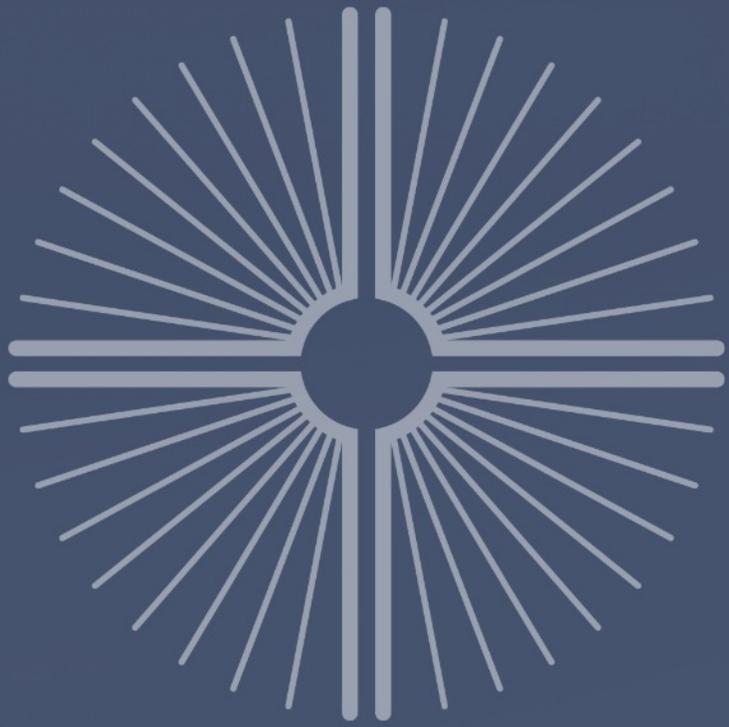




# Process

- The Assembly Budget Committee is scheduled for a hearing on Thursday, May 25th, upon adjournment of Session,
- The topic of the hearing is: the 2023 Assembly Budget Plan.
- Also, the following dates/times below are held for possible additional hearings:
  - Tuesday, May 30: Upon adjournment of Session – Room 1100
  - Wednesday, May 31: 9:00 AM – Room 1100

# Action Alert: Talking Points



# Legislative Update and Bill Discussion

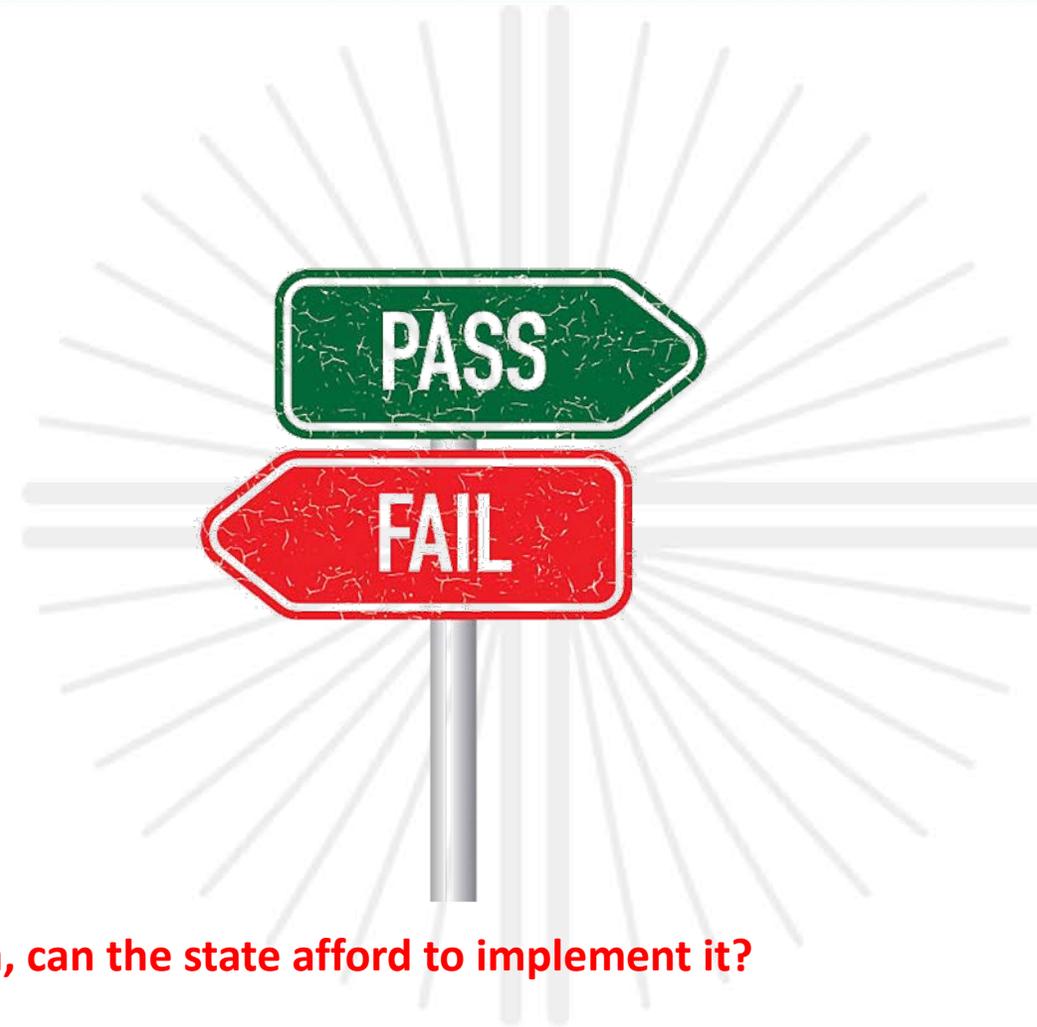
# May: Appropriations Committees

## Key Fiscal Committees:

- Assembly Appropriations Committee
- Senate Appropriations Committee

## Suspense File:

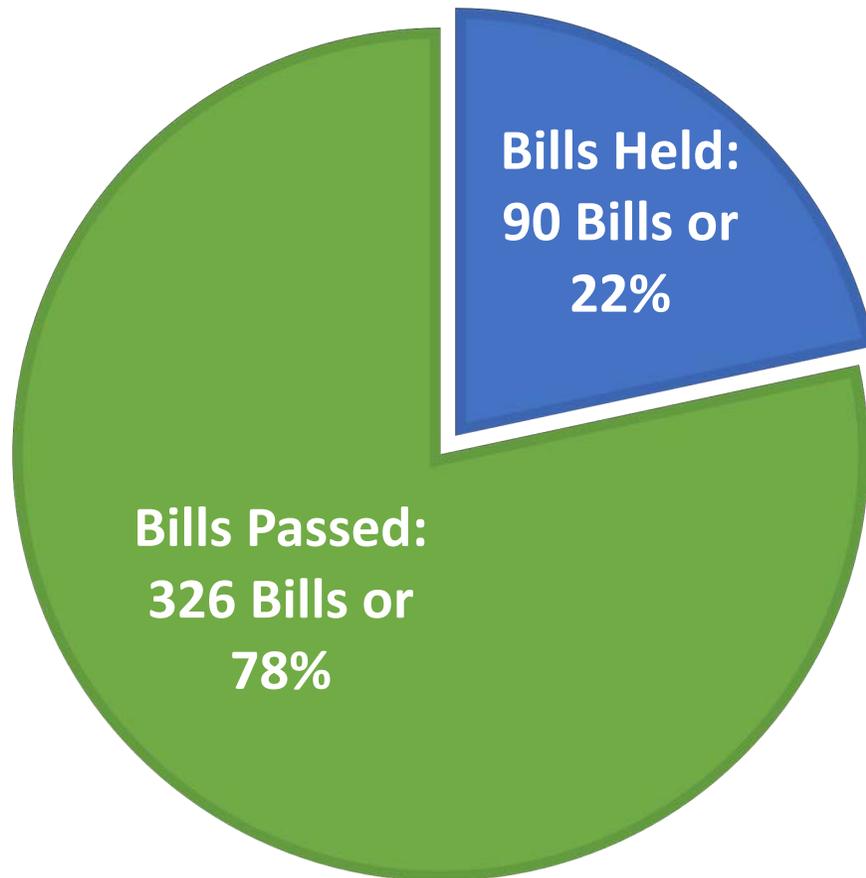
- Most legislation with a fiscal cost is referred to the Suspense File.
- Intended to give a space for the state to examine all bills in overall fiscal spending.
- Opportunity for legislative leadership to hold or amend problematic bills.



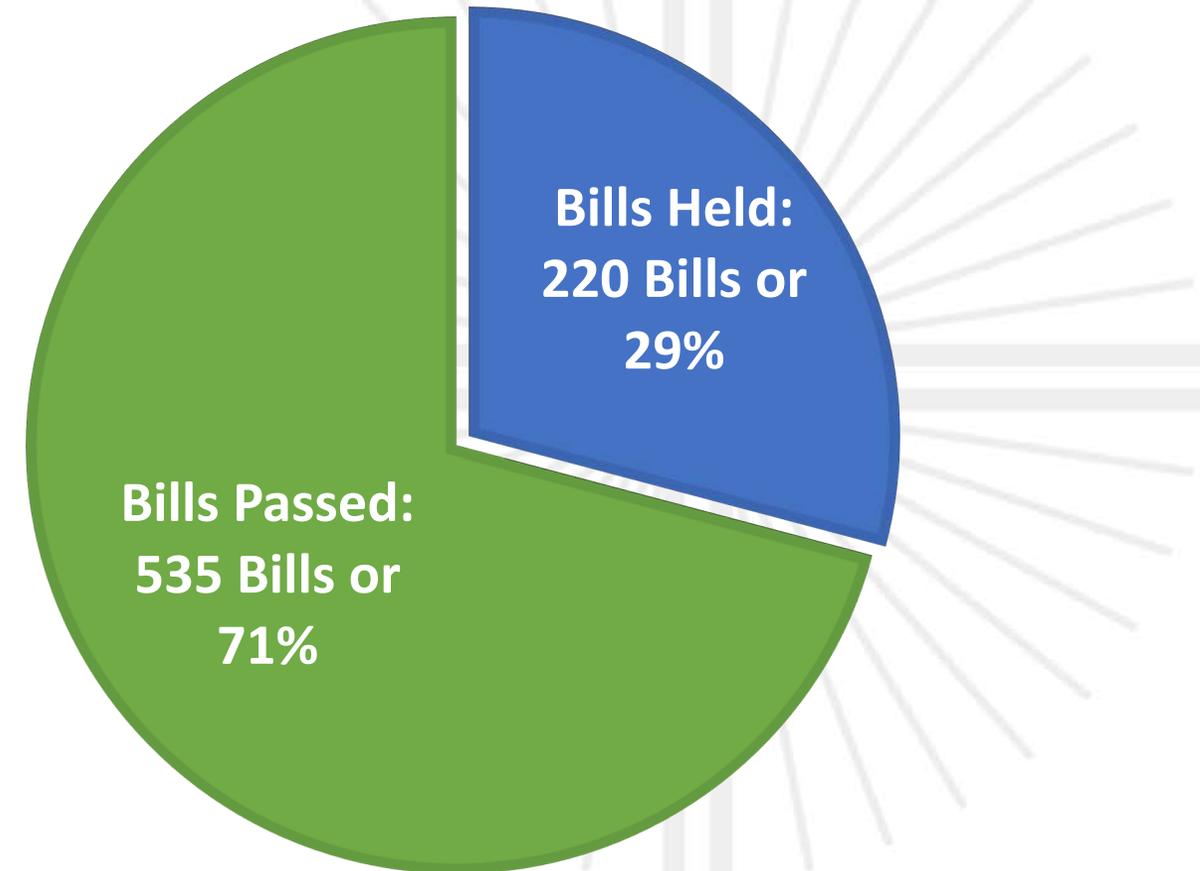
**Focus: Policy committees have determined this is a good idea, can the state afford to implement it?**

# May 18th Suspense Results

SENATE SUSPENSE RESULTS (416 BILLS)



ASSEMBLY SUSPENSE RESULTS (755 BILLS)



# Legislation for Discussion

## Academic Affairs:

AB 811 (M. Fong) Repeatability: **WATCH**

AB 634 (Ward) CDCP Programs: **SUPPORT**

## Collective Bargaining:

AB 260 (Santiago) Part-Time Faculty Pay: **OPPOSE**

AB 1190 (Irwin) Office Hours: **CONCERN**

AB 1699 (McCarty) K-14 Classified Employees: **OPPOSE**

AB 472 (Wicks) Leaves of Absence

SB 433 (Cortese) Third Party Disciplinary Hearings

## Facilities:

AB 358 (Addis) Housing: **SUPPORT**

SB 532 (Wiener) Ballot Measures: **SUPPORT**

AB 247 (Muratsuchi) K-14 Bond: **SUPPORT**

SB 28 (Glazer) K-12, Higher Ed Bond: **WATCH**

## Student Services:

AB 252 (Holden) Athletics: **OPPOSE**

AB 299 (Holden) Hazing: **OPPOSE**

## Financial Aid and Basic Needs:

AB 91 (Alvarez) Non-Resident Tuition: **SUPPORT**

AB 610 (Holden) Transit Passes: **SUPPORT**

AB 680 (Rubio) Non-Resident Tuition: **SUPPORT**

AB 1400 (Bryan) HBCU Transfer Students: **SUPPORT**

AB 1542 (M. Fong) BOG Students: **SUPPORT**

SB 629 (Cortese) Fee Waivers: **SUPPORT**

## Governance:

AB 1142 (M. Fong) CPEC 2.0: **WATCH**

AB 1248 (Bryan) Independent Redistricting Commissions: **WATCH**

AB 1541 (M. Fong) Student Trustee Advisory Vote: **SUPPORT**

## Workforce:

AB 689 (Carrillo) Healthcare Programs

AB 1577 (Low) Clinical Training Slots

# Legislation: Academic Affairs

## **AB 811 (M. Fong) Repeatability**

Would increase the number of times a student may take a credit course for which they received a substandard grade up to five times. Students who received a satisfactory grade would be permitted to repeat a course at least three times for personal enrichment. Recent amendments narrowed this legislation to focus on the arts, humanities, kinesiology, foreign languages, and ESL.

**Position:** **WATCH**

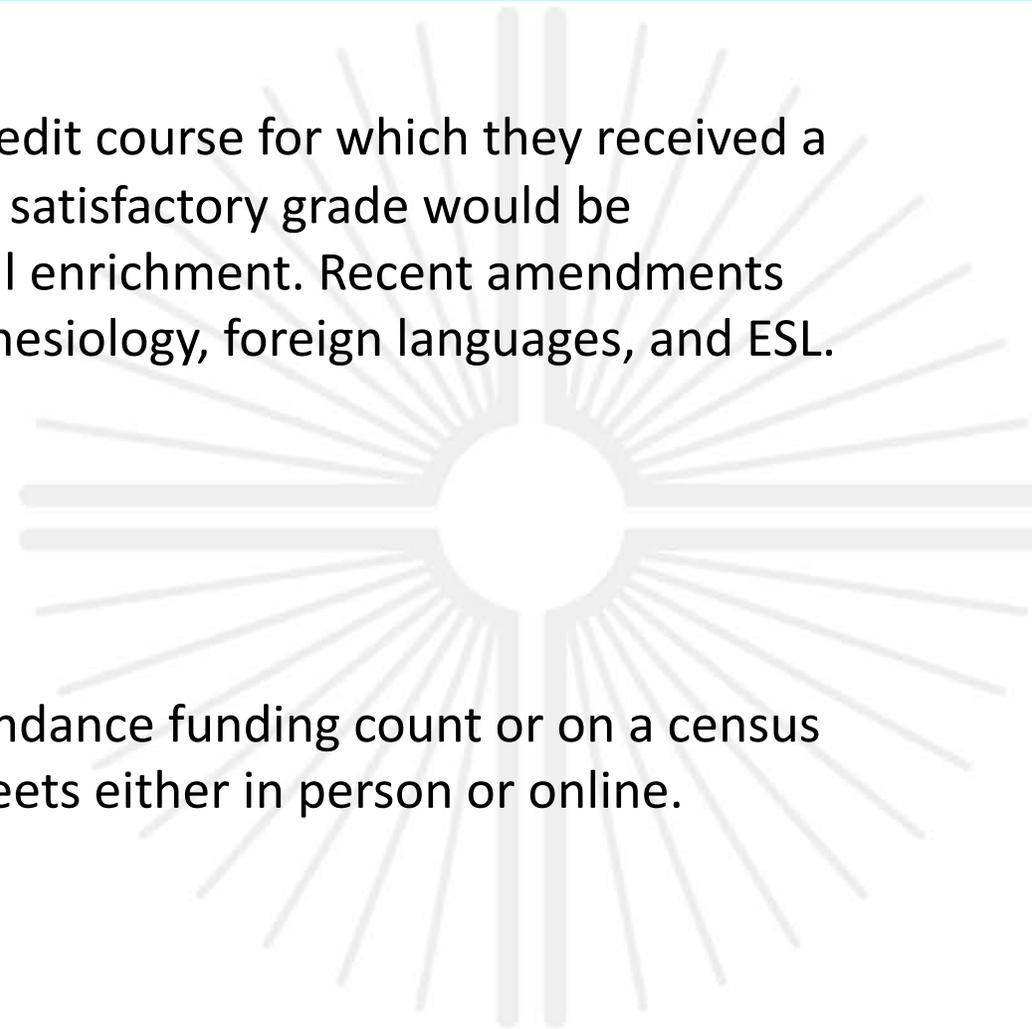
**Location:** Assembly Floor

## **AB 634 (Ward) CDCP Programs**

Would require CDCP courses to be funded via a positive attendance funding count or on a census date basis, depending on when and how often the course meets either in person or online.

**Position:** **SUPPORT**

**Location:** Assembly Floor



# Legislation: Collective Bargaining

## **AB 260 (Santiago) Community Colleges: Part-Time Employees**

Would require the ratio of pay for part-time faculty members to be equal to their full-time colleagues. This is a requirement upon receipt of funds allocated for student success categorical programs and thus would not be a reimbursable mandate.

**Position: OPPOSE**

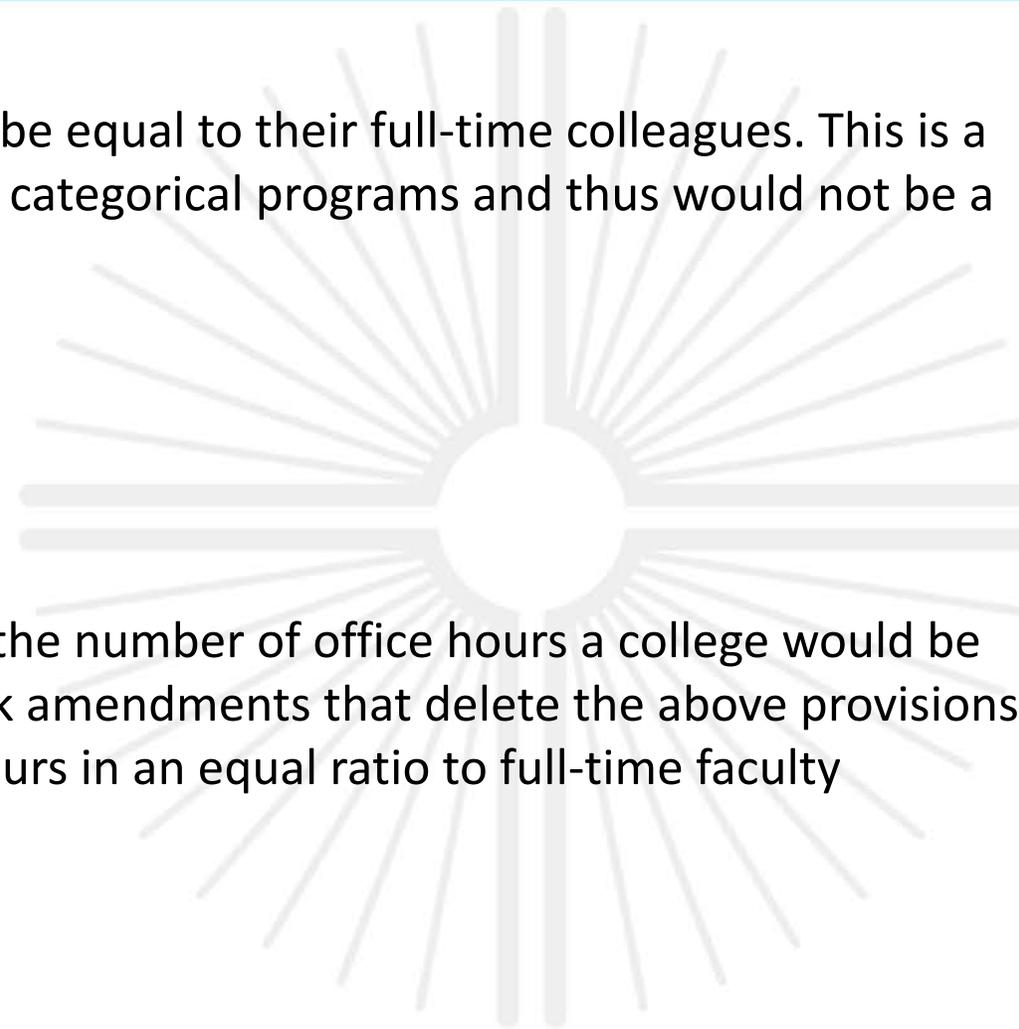
**Location:** Held in Appropriations

## **AB 1190 (Irwin) Part-Time Faculty Office Hours**

Originally this bill would have created a prescriptive formula on the number of office hours a college would be required to assign to a part-time faculty member. It recently took amendments that delete the above provisions and instead would require colleges to pay for part-time office hours in an equal ratio to full-time faculty members.

**Position: CONCERN**

**Location:** Held in Appropriations



# Legislation: Collective Bargaining

## **AB 472 (Wicks) Compulsory Leaves of Absence**

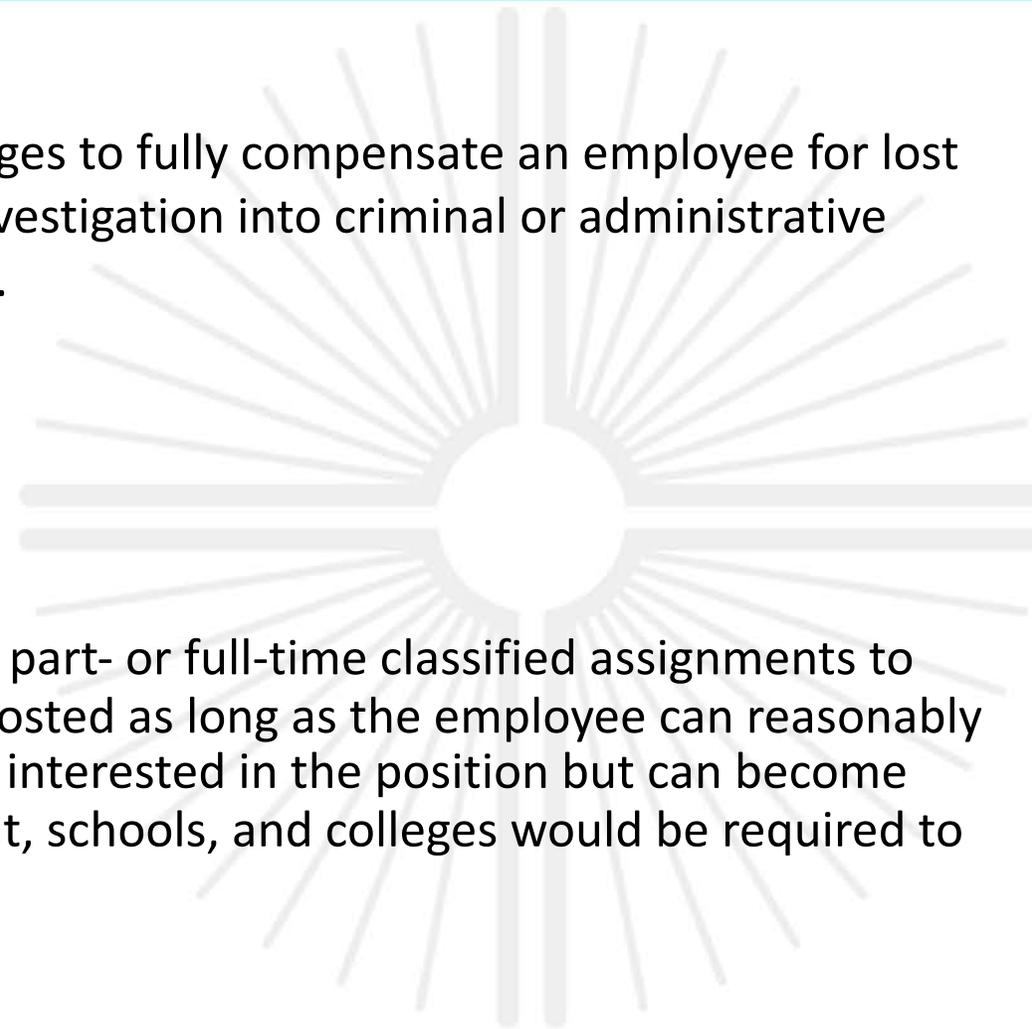
Among other items, would require schools and community colleges to fully compensate an employee for lost wages if that employee was placed on unpaid leave due to an investigation into criminal or administrative charges, but the investigation was found in the employee's favor.

**Location:** Assembly Floor

## **AB 1699 (McCarty) K-14 Classified Employees**

This bill would require local education agencies to offer any new part- or full-time classified assignments to existing classified employees before the assignment is publicly posted as long as the employee can reasonably perform the duties of the new job. If an unqualified employee is interested in the position but can become qualified with 10 or a few hours less of professional development, schools, and colleges would be required to provide it.

**Staff Recommendation: OPPOSE**



# Legislation: Collective Bargaining

## **SB 433 (Cortese) Third Party Disciplinary Hearings**

Removes the authority of a school or trustee board to discipline an employee and instead it gives the authority to a mutually agreed upon third party official. This is similar to a merit system of employee discipline.

**Location:** Assembly Floor

**Staff Recommendation:** **OPPOSE**



# Legislation: Facilities

## **AB 358 (Addis) Field Act Exemption**

Would exempt community college housing from the Field Act, which requires the Department of General Services to supervise the design and construction of school buildings, except upon request by the community college district.

**Position:** **SUPPORT**

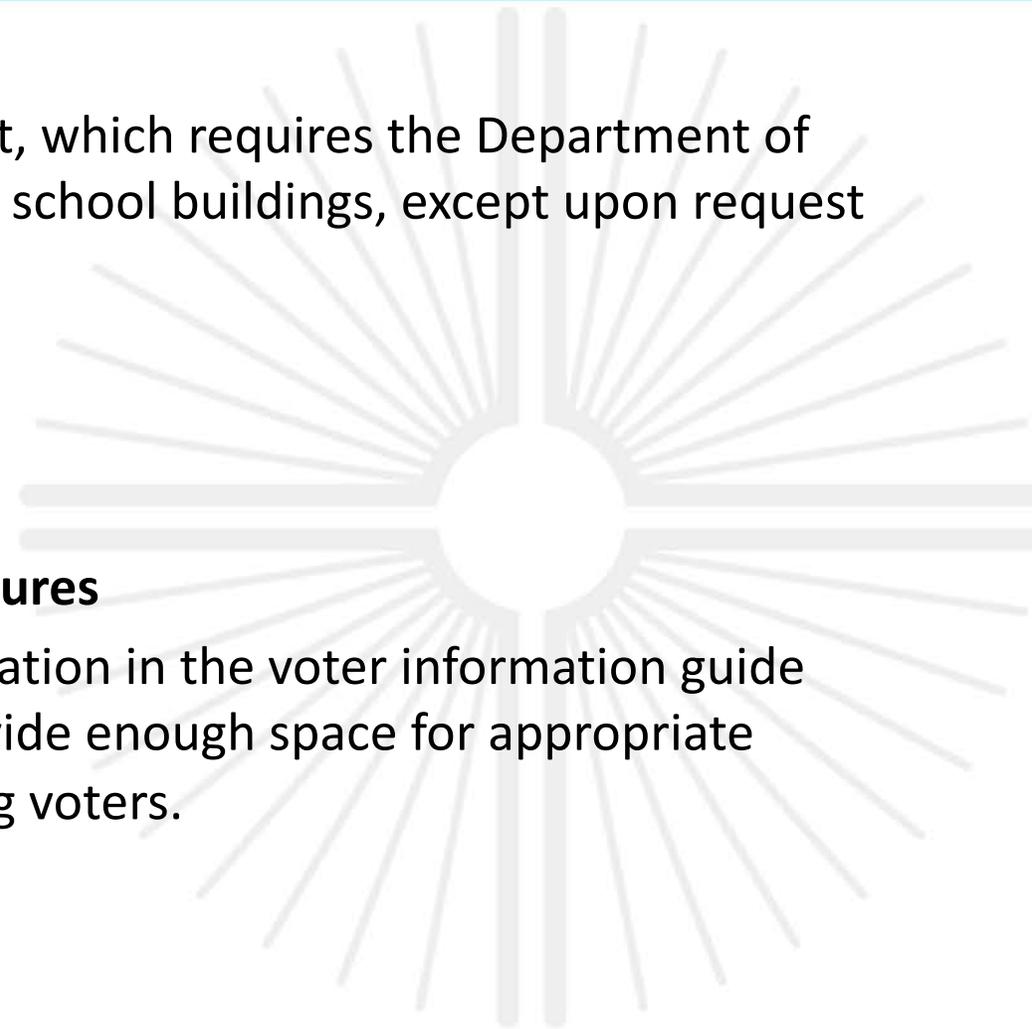
**Location:** Senate Rules

## **SB 532 (Wiener) Enhanced Transparency for Local Tax Measures**

Would enable local jurisdictions to provide enhanced information in the voter information guide rather than on the 75-word ballot label, which does not provide enough space for appropriate context and explanation, ultimately causing confusion among voters.

**Position:** **SUPPORT**

**Location:** Senate Floor



# Legislation: Facilities

## **AB 247 (Muratsuchi) Education finance: school facilities: Kindergarten Through Community College Public Education Facilities Bond Act of 2024.**

Would place a school facilities bond of \$14 billion on the ballot in 2024 for only K-12 and community colleges.

**Position:** **SUPPORT**

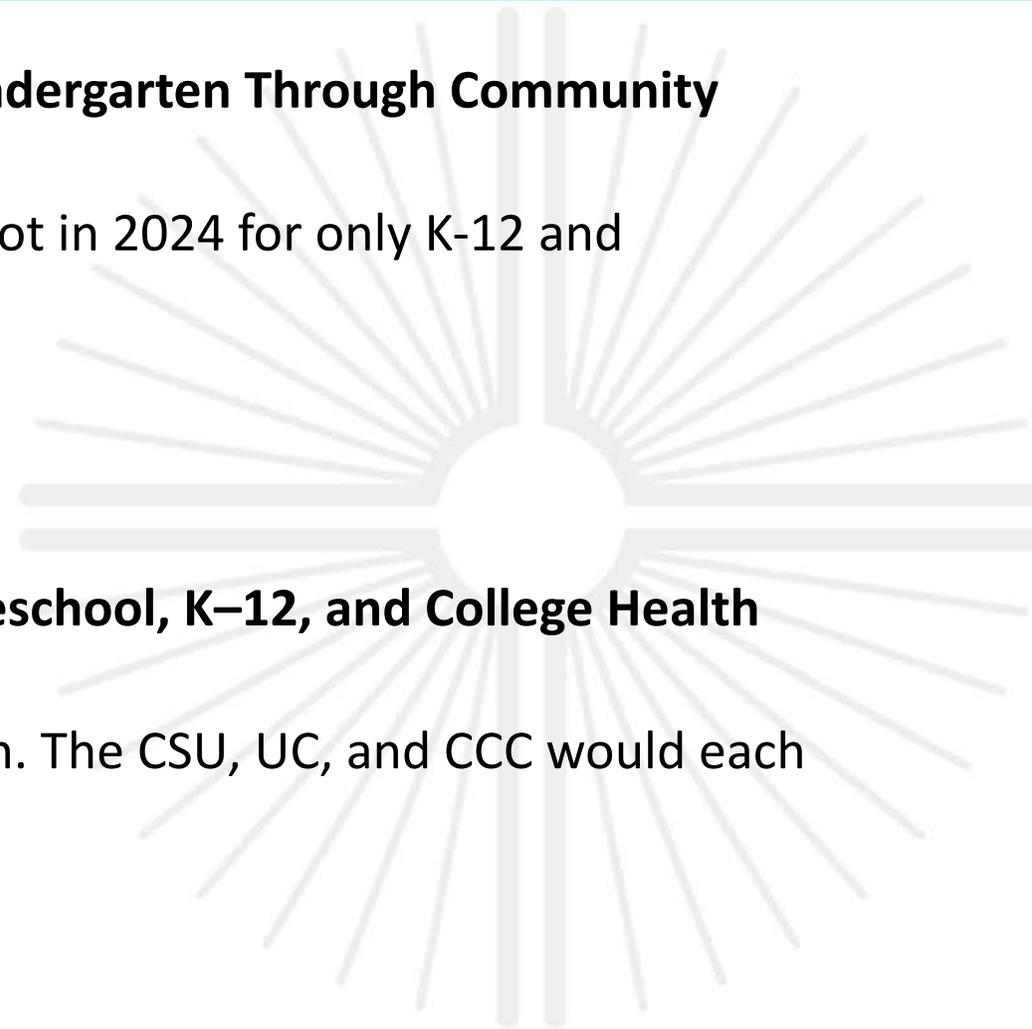
**Location:** Assembly Floor

## **SB 28 (Glazer) Education finance: school facilities: Public Preschool, K–12, and College Health and Safety Bond Act of 2024.**

Would place on the March 2024 ballot a bond of \$15.5 Billion. The CSU, UC, and CCC would each receive \$2 billion.

**Position:** **WATCH**

**Location:** Senate Floor



# Legislation: Student Services

## **AB 252 (Holden) Student Athlete Protection Act**

Would create a regulatory agency empowered to investigate and manage California collegiate athletic practices related to student academic, mental, and physical health. Additionally, it mandates the creation of a degree completion fund for student-athletes that obtain an athletic scholarship.

**Position: OPPOSE**

**Location:** Assembly Floor

## **AB 299 (Holden) Hazing: Institutional Liability**

Would make higher educational institutions, including community colleges, liable for hazing activities occurring within student body organizations affiliated with those institutions.

**Position: OPPOSE**

**Location:** Assembly Floor



# Legislation: Financial Aid and Basic Needs

## **AB 91 (Alvarez) Exemption from Non-Resident Tuition: SDICCCA**

Would exempt from the nonresident tuition fee a nonresident, low-income student who is a resident of Mexico, registers for lower division courses at a San Diego and Imperial Counties Community Colleges Association (SDICCCA) college and has residence within 45 miles of the California-Mexico border.

**Position:** **SUPPORT**

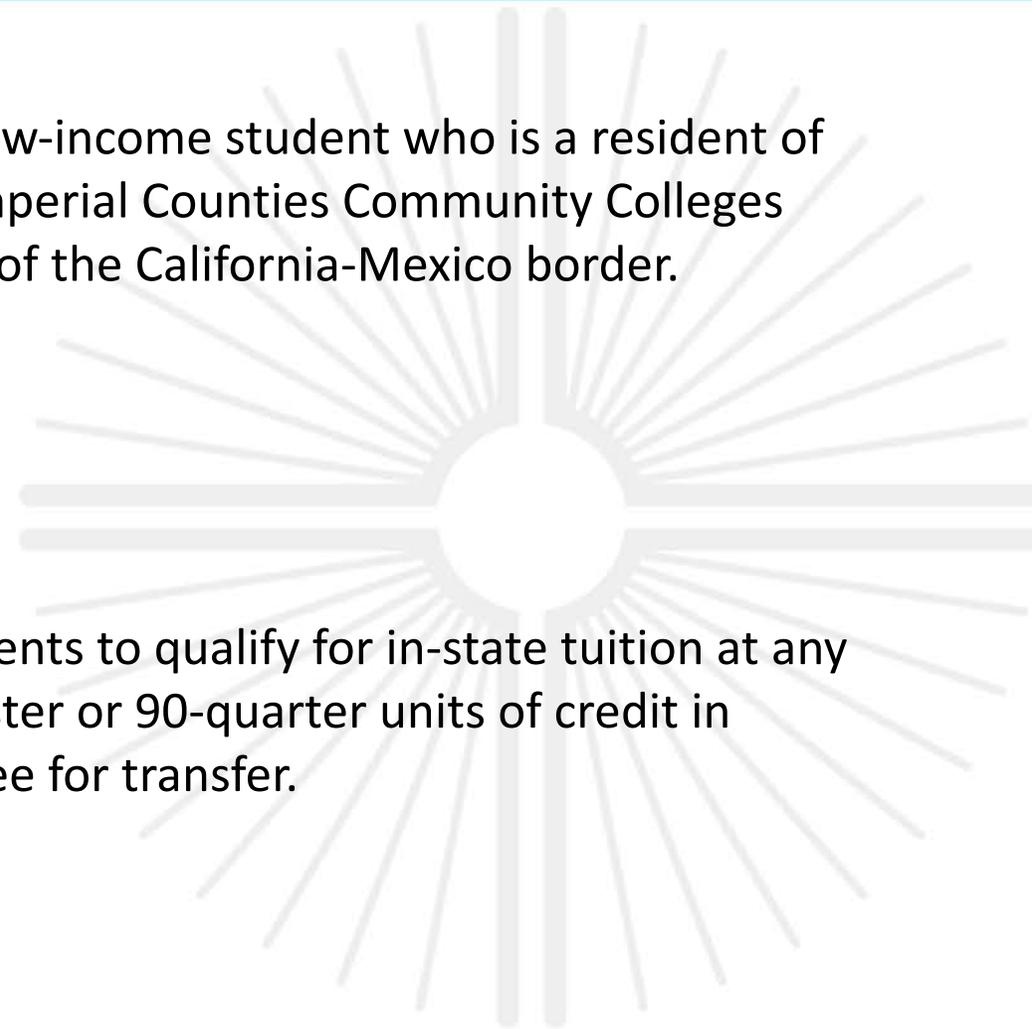
**Location:** Assembly Floor

## **AB 680 (Rubio) Non-Resident Tuition**

Would create a new AB 540 pathway for community college students to qualify for in-state tuition at any California public college or university by (1) completing 60-semester or 90-quarter units of credit in a California community college or (2) attaining an associate degree for transfer.

**Position:** **SUPPORT**

**Location:** Held in Appropriations



# Legislation: Financial Aid and Basic Needs

## **AB 610 (Holden) Transit Passes**

Would create a free student transit program by awarding grants to transit agencies for the costs of creating, designing, developing, advertising, distributing, and implementing free transit passes to persons attending certain educational institutions, providing free transit service to holders of those passes.

**Position:** **SUPPORT**

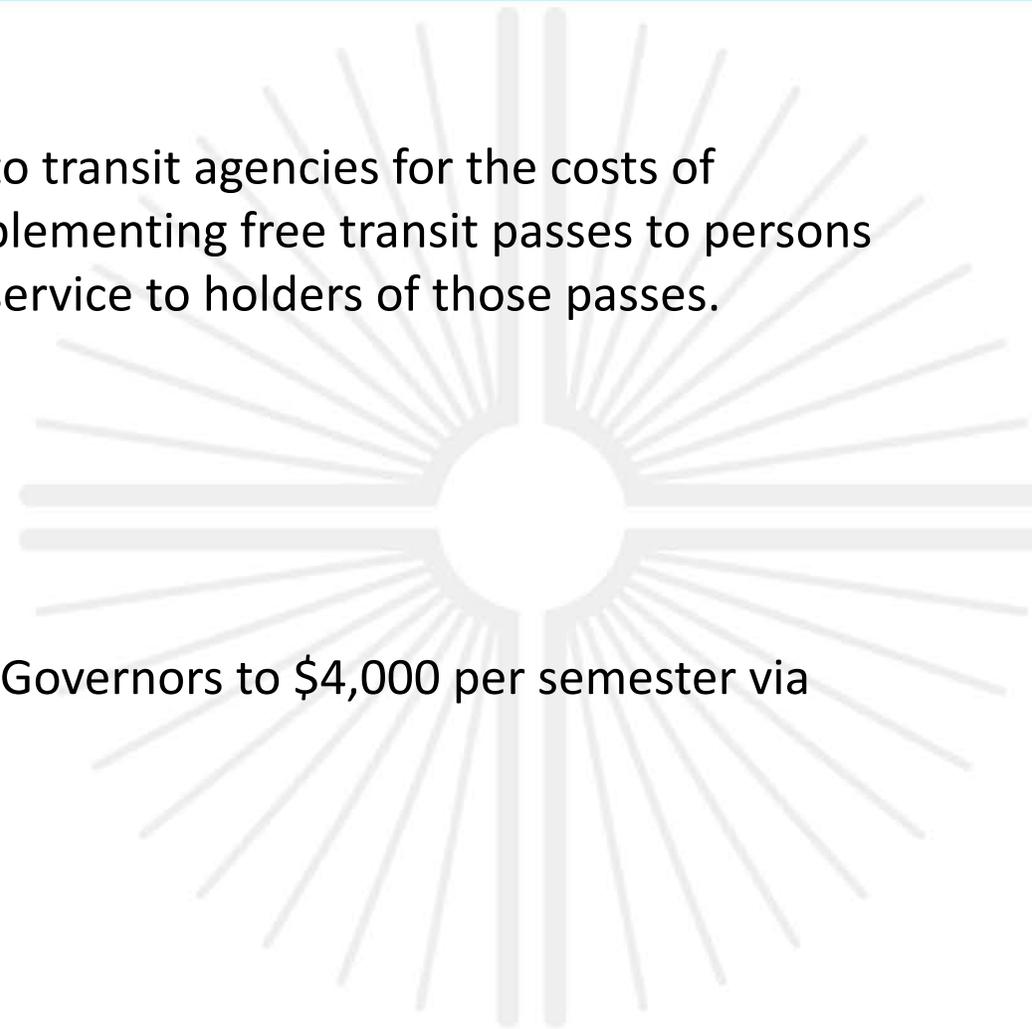
**Location:** Assembly Floor

## **AB 1542 (M. Fong) Student BOG Member Support**

Would increase the pay of each student member of the Board of Governors to \$4,000 per semester via the Student Success Completion Grant.

**Position:** **SUPPORT**

**Location:** Senate Rules



# Legislation: Financial Aid and Basic Needs

## **SB 629 (Cortese) Community Colleges: fee waivers**

Would authorize any CCD to adopt a policy that uses local unrestricted general funds to provide fee waivers to students with the greatest financial need. Funds can be used to assist students with addressing their total cost of attendance. Districts that benefit from this policy must ensure that 100% of students are completing FAFSA or the California Dream Act Application (CADAA) and must have a fully staffed Basic Needs Center.

**Position:** **SUPPORT**

**Location:** Held in Appropriations

## **AB 1400 (Bryan) Community College Transfers to Historically Black Colleges and Universities**

Would provide up to \$5,000 financial aid scholarships to community college students who are transferring to Historically Black Colleges and Universities. For funding, would redirect current funds received through the College Access Tax Credit Fund.

**Position:** **SUPPORT**

**Location:** Assembly Floor

# Legislation: Governance

## **AB 1142 (M. Fong) CPEC 2.0**

Would establish the Coordinating Commission for Postsecondary Education in California, composed of five public members appointed by the Senate, Assembly, and Governor. Among other items, it would be empowered to:

- Set performance targets for enrollment and completion statewide and by region.
- Conduct a review of statewide and regional gaps in enrollment, completion, and other matters.
- Review and make recommendations on how to create efficiencies in cross-segmental cooperation.
- Evaluate how each segment is responding to the goals outlined by the Governor in the 2022-23 budget.

**Position:** WATCH

**Location:** 2-Year Bill

# Legislation: Governance

## **AB 1248 (Bryan) Local Government: Independent Redistricting Commissions**

Would require all local governments, including community colleges that serve a population of 500,000 or more to create independent redistricting commissions modeled after the current commission for the state. Schools and community colleges. Similar legislation regarding counties with a population of 400,000 or more was vetoed by Governor Newsom in 2019 due to cost concerns.

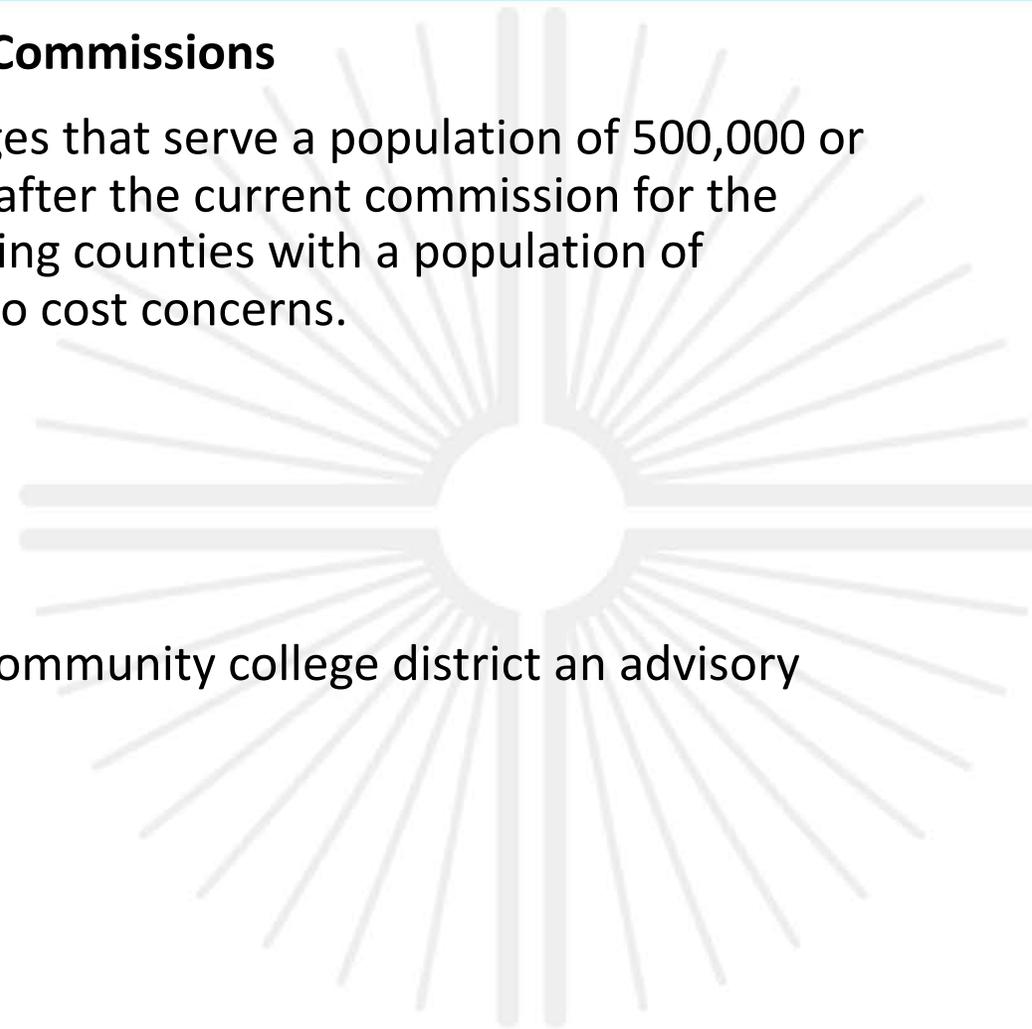
**Position: WATCH**

## **AB 1541 (M. Fong) Student Voting Members**

Would give each student member of the Board of Trustees of a community college district an advisory vote.

**Position: SUPPORT**

**Location: Senate Rules**



# Legislation: Workforce

## **AB 689 (Carrillo) Healthcare Workers**

Would ensure that at least 15% of students that are admitted in impacted healthcare programs such as nursing are incumbent healthcare workers. If the college utilizes a priority enrollment system, incumbent healthcare workers would be eligible for priority. Colleges are already permitted to utilize

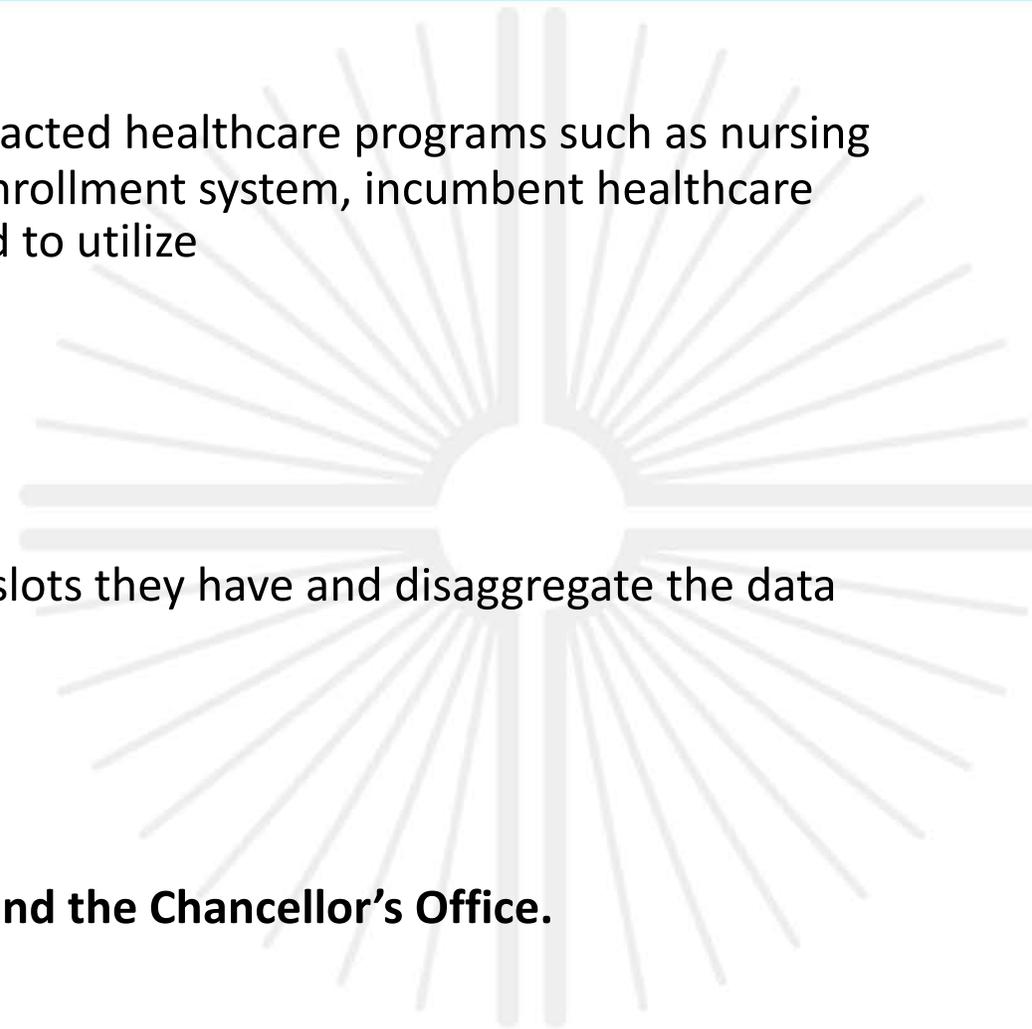
**Staff Recommendation: WATCH**, but may move to **OPPOSE**.

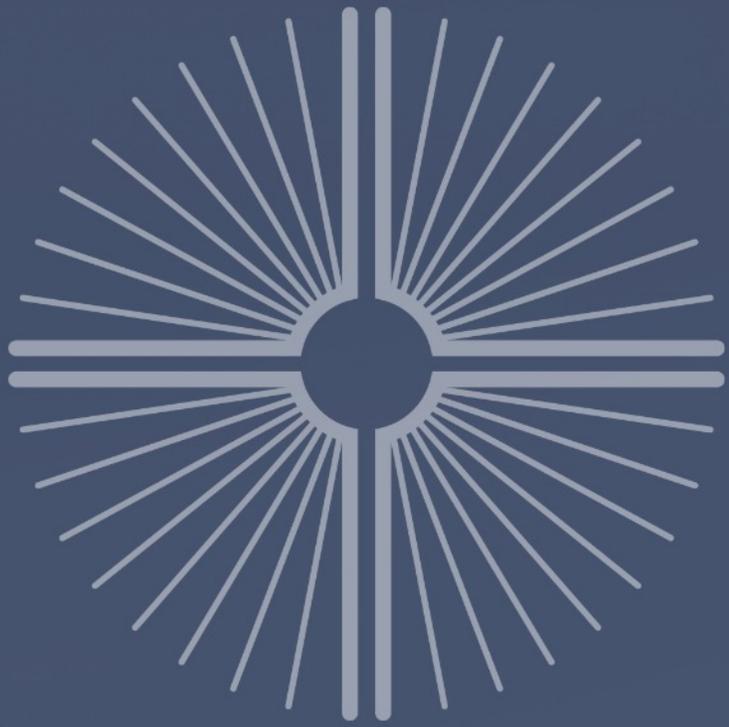
## **AB 1577 (Low) Clinical Placements: Nursing**

Would require hospitals to report the number of clinical placement slots they have and disaggregate the data by school type, school name and location.

**Staff Recommendation: WATCH**, but may move to **SUPPORT**.

**Gathering feedback from nursing deans, the field and the Chancellor's Office.**





# Federal Update

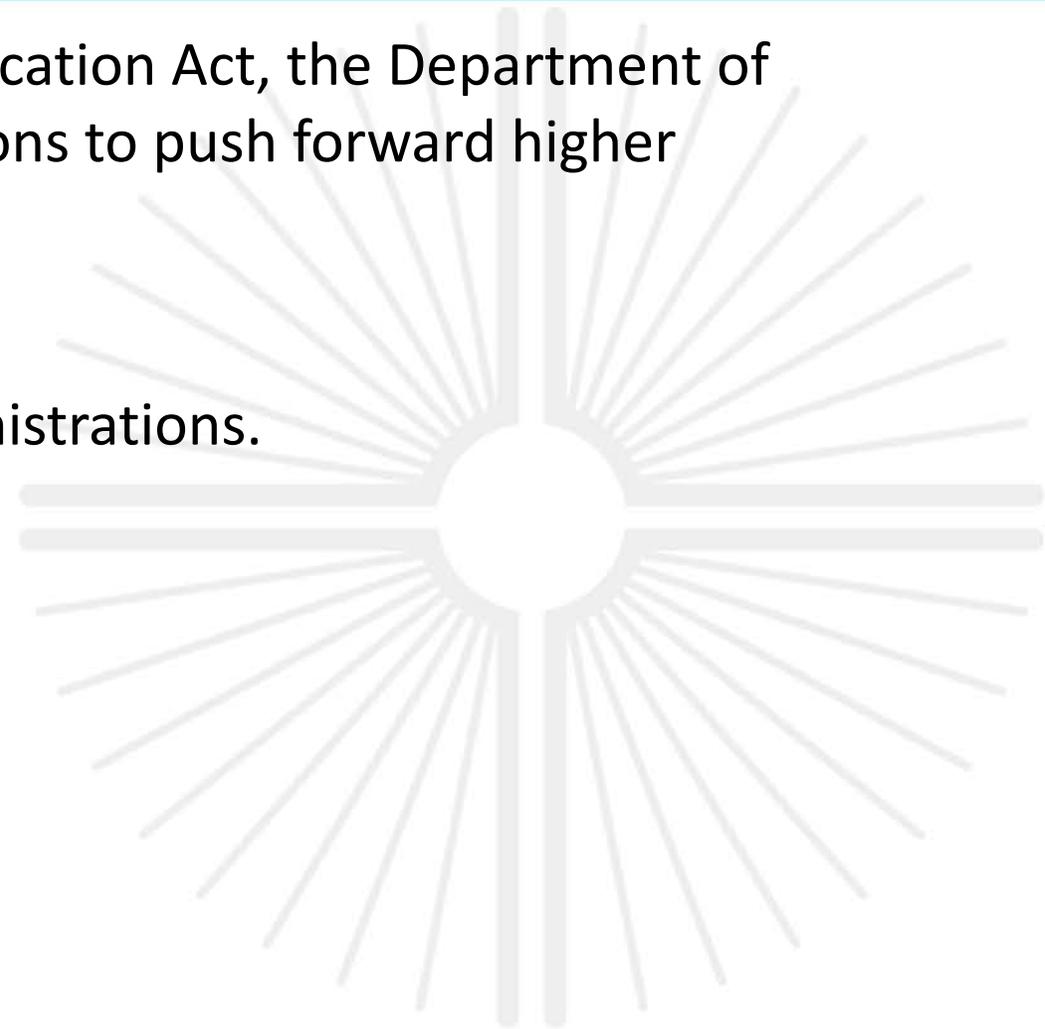
# Federal Update: Federal Regulations

With the lack of a reauthorization of the Higher Education Act, the Department of Education (DOE) has increasingly turned to regulations to push forward higher education policy changes.

Regulations can and do change with different administrations.

Two major revisions are happening soon:

- Guidelines on sexual assault or harassment investigations.
- Protections for transgender athletes.
- Reinstatement of Gainful Employment



# Federal Update: Title IX Investigations

## **Sexual Assault and Harassment Investigations**

- DOE is expected to release final revisions of its proposed Title IX rules this month.
- DOE received over 300,000 public comments, so it may miss this deadline.
- Revised regulations will probably be similar to draft regulations released in June 2022 and will focus on:
  - Expanding the definitions of sexual assault and harassment.
  - Increase the scope of responsibilities for colleges when investigating sexual assault or harassment.
  - Changes in how colleges conduct investigations.
  - Removal of a requirement for either party to conduct live in-person interrogations.

## **Transgender Athletes:**

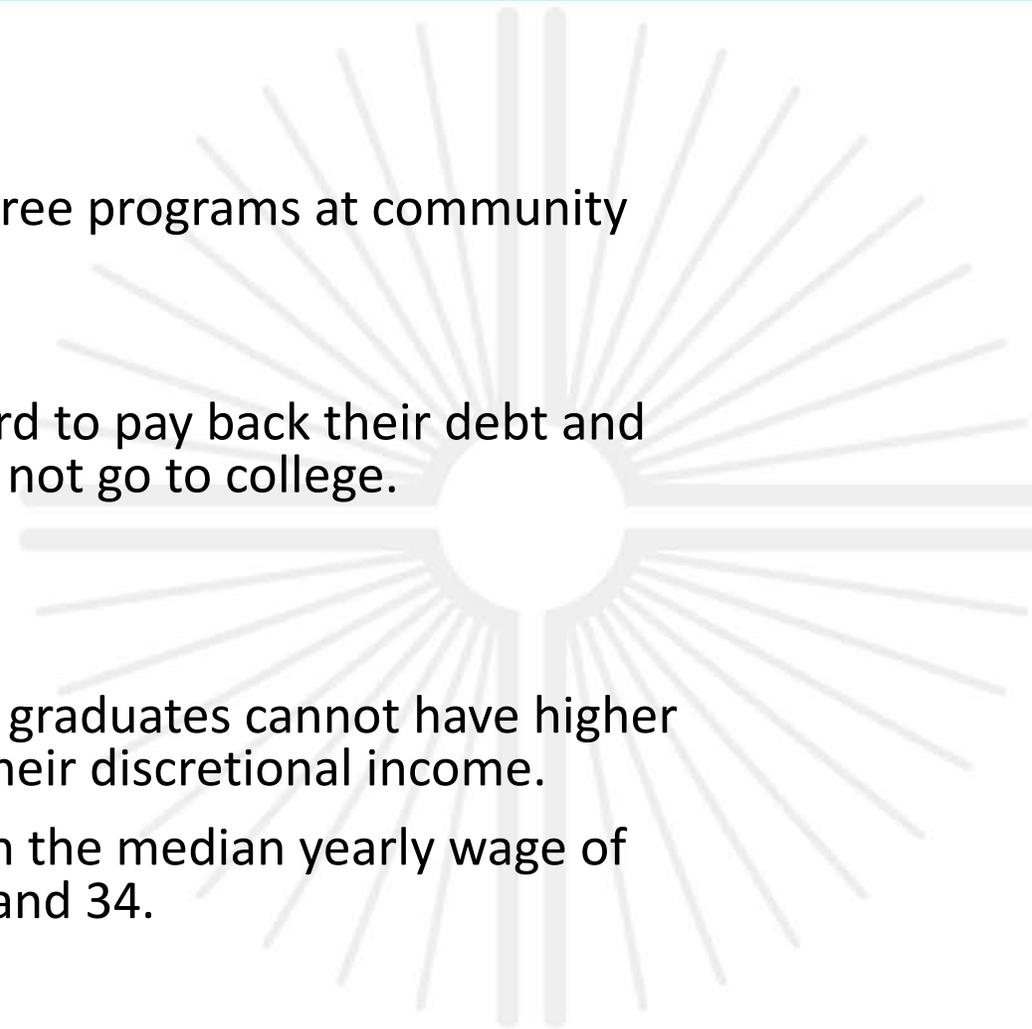
- DOE released final revisions of its proposed rules protections for student-athletes.
- Colleges would be prohibited from implementing a total ban on transgender student-athletes from participating in athletics.
- Colleges can make judgments on transgender student athletic participation on a sport-by-sport basis but must use criteria set out by DOE. Criteria include concerns about competition and student-athlete safety.
- Colleges must minimize harm to transgender student-athletes when considering this decision.

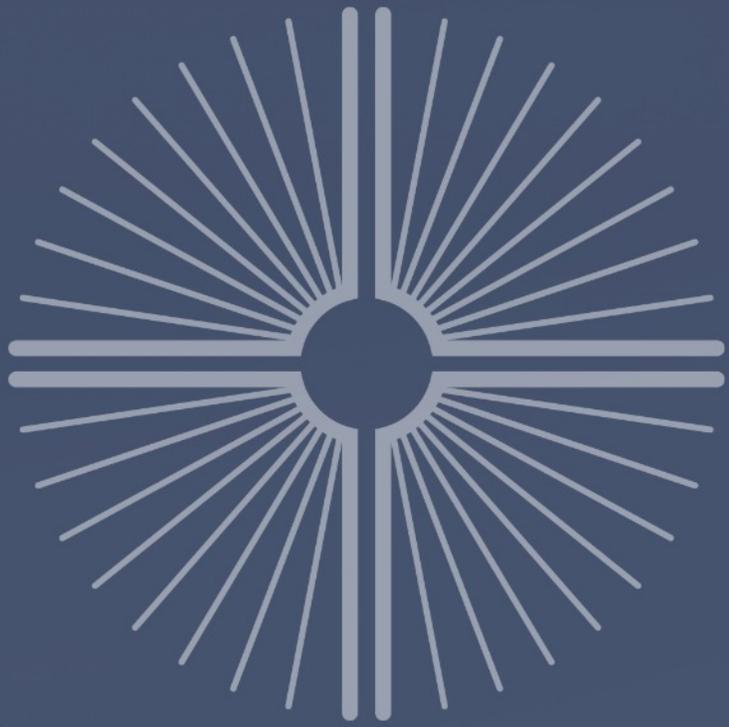
# Federal Update: Gainful Employment

- Trump administration canceled Obama era regulations
- Focused on for-profit institutions and students in a non-degree programs at community colleges.
- Goal is to ensure that graduates of these programs can afford to pay back their debt and obtain a job that pays more than the average adult who did not go to college.

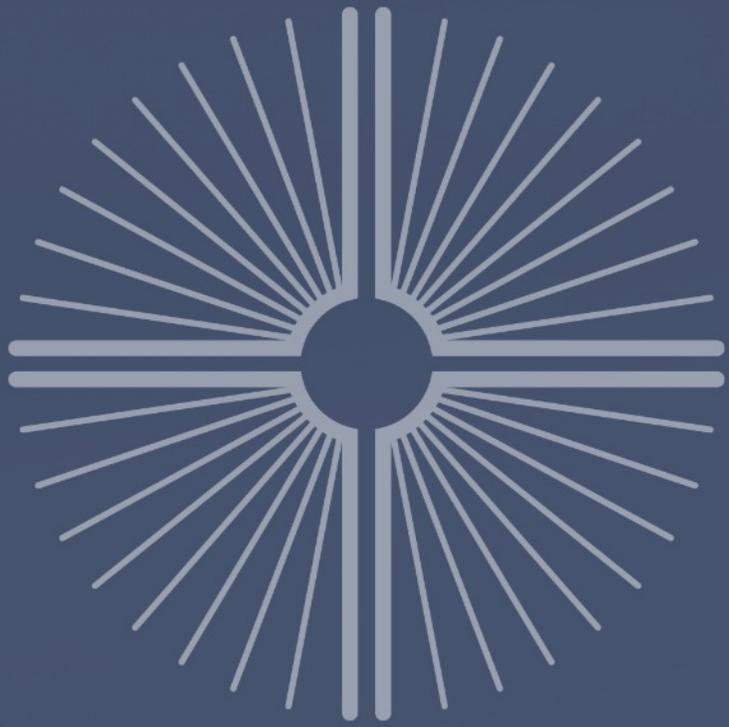
## Two Major Metrics:

- Debt-to-Earnings Ratio (similar to old regulations): Program graduates cannot have higher debt payments than 8% of their yearly income or 20% of their discretionary income.
- Earnings Premium: Program graduates must earn more than the median yearly wage of adults who did not go to college that are aged between 25 and 34.





# Legislative Conference Speakers/Issues



Questions?

