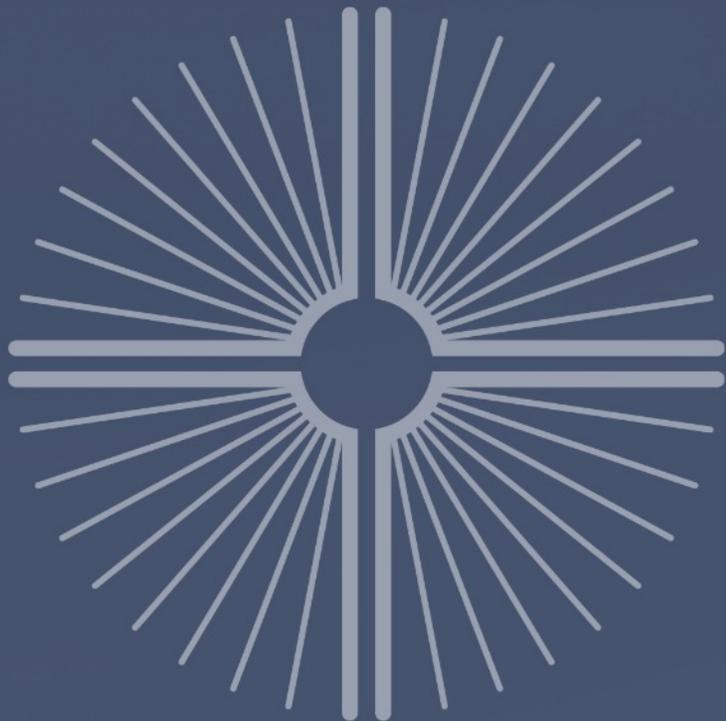
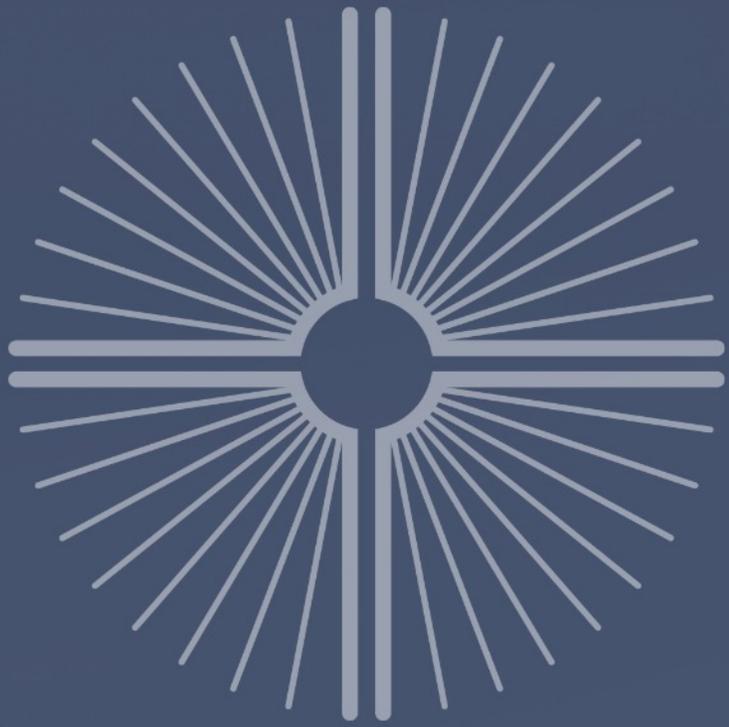


# Advisory Committee on Legislation

September 6, 2023



- ❖ New Member Welcome
- ❖ Budget Update
- ❖ Legislative Update  
and Bill Discussion



# New Member Welcome

# Welcome to ACL!

Anne Kepner, Trustee, West Valley-Mission CCD

Bobby Gosal, Dean of Student Services, Sierra College

Carole Goldsmith, Chancellor, State Center CCD

Connie Gutierrez, DSP&S Director, Rio Hondo College

Courtney Etnyre, Student Trustee, Grossmont-Cuyamaca CCD

Heather Brandt, Student Trustee, City College of San Francisco

Joseph Awad, Student Trustee, Mt. San Jacinto CCD

LaShe' Rodriguez, Director of GR/External Relations/ Strategic Comms, Riverside CCD

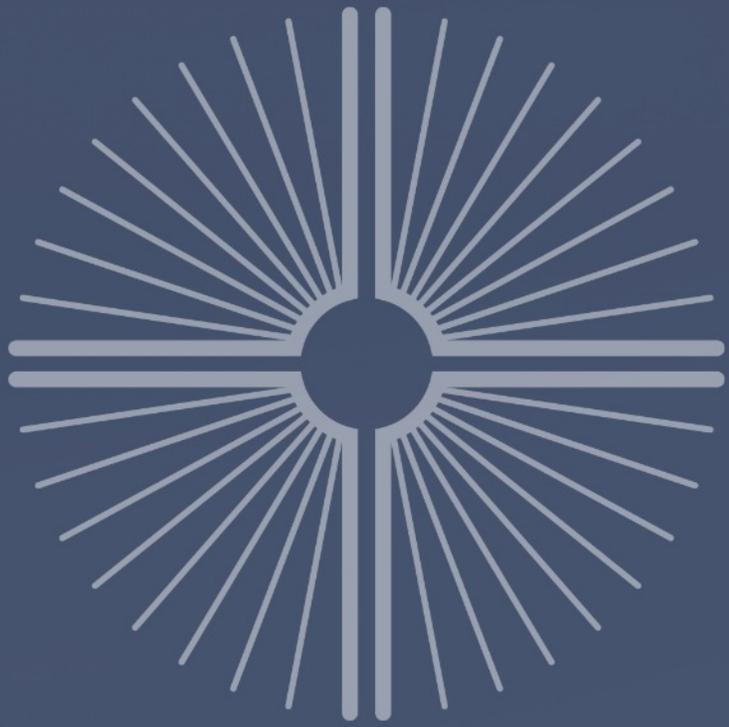
Leisa Biggers, Director of Human Resources, Los Angeles CCD

Matt Wetstein, Superintendent/President, Cabrillo CCD

Peter Hidalgo, Trustee, Mt. San Antonio CCD

Stacey Shears, VP of Student Services, Berkeley City College





# Budget Update



# CA Fiscal Health: Despite Budget Shortfall, State Enjoys Unprecedented Liquidity

Even with the delay of tax payments for 2022 and early 2023 to October, the State estimates the need for only about \$10 billion of temporary cash borrowing from other state funds to the General Fund in September 2023, which would leave more than \$80 billion of available balances in non-General Fund accounts (including rainy day fund reserves) at that time.

## Comparing Today's Liquidity to 2009 (Great Recession)

	Estimated Cash Balance for June 30, 2024	Cash Balance on June 30, 2009
<b>General Fund</b>	\$29 Billion	0
<b>Other State Funds</b>	\$92 Billion	\$7 Billion

*Many of the most extreme budget actions of 2008-2010 were necessitated by the State's weak cash position, so today's unprecedented liquidity—including rainy day fund reserves—is a key budget buffer given the deficit forecasts for future years.*

# Projected Shortfalls

**2024-25 Deficit Forecast.** The forecast shows a \$14.3 billion negative balance in the Special Fund for Economic Uncertainties (SFEU), the state’s main discretionary reserve account, in 2024-25. This means, if the forecast is perfect, that at least \$14.3 billion of corrective actions would be necessary to bring next year’s budget into balance.

Next year’s budget problem or surplus will begin to be formally estimated in November with release of the LAO’s November *Fiscal Outlook*. The Governor’s January 10, 2024 budget proposal will contain the administration’s first formal estimate of the 2024-25 budget problem or surplus, which will then be updated with the 2024 May Revision.

General Fund Multiyear Forecast 2023 Budget Act (Dollars in Millions)					
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>RESOURCES:</b>					
Prior Year Balance	\$55,810	\$26,352	\$9,112	-\$9,069	-\$25,542
Revenues/Transfers	\$205,678	\$208,688	\$207,280	\$206,180	\$212,205
Transfer to Budget Stabilization Account	-\$544	\$0	-\$180	-\$244	-\$546
<b>Total Resources</b>	<b>\$260,944</b>	<b>\$235,040</b>	<b>\$216,212</b>	<b>\$196,867</b>	<b>\$186,117</b>
<b>EXPENDITURES:</b>					
Proposition 98	\$78,117	\$77,457	\$79,739	\$81,675	\$83,849
Proposition 20 and Music Education	\$0	\$938	\$0	\$0	\$0
Non-Proposition 98	\$154,306	\$145,196	\$143,935	\$139,431	\$141,977
Prop 2 Infrastructure/Deferred Maintenance	\$2,169	\$2,337	\$1,607	\$1,303	\$1,129
<b>Total Expenditures</b>	<b>\$234,592</b>	<b>\$225,928</b>	<b>\$225,281</b>	<b>\$222,409</b>	<b>\$226,955</b>
<b>FUND BALANCES:</b>					
Reserve for Encumbrances	\$26,352	\$9,112	-\$9,069	-\$25,542	-\$40,838
SFEU	\$21,080	\$3,840	-\$14,341	-\$30,814	-\$46,110
Safety Net Reserve	\$900	\$900	\$900	\$900	\$900
Budget Stabilization Account (Mandatory Deposits)	\$20,453	\$20,132	\$20,312	\$20,556	\$21,102
Budget Stabilization Account (Total Deposits)	\$22,252	\$22,252	\$22,432	\$22,676	\$23,222
Public School System Stabilization Account	\$9,929	\$10,831	\$10,831	\$10,831	\$10,831
Total Reserves	\$54,161	\$37,823	\$19,822	\$3,594	-\$11,156
BSA mandatory balance as a percentage of General Fund Tax Proceeds	10.0%	10.0%	10.0%	10.0%	10.0%
SFEU/Safety Net/PSSSA/Total BSA as a percentage of Total Resources	20.8%	16.1%	9.2%	1.8%	-6.0%
Operating Surplus/Deficit with BSA Transfer	-\$29,458	-\$17,240	-\$18,181	-\$16,472	-\$15,296
One-time Investments (Prior years)	\$32,414	\$27,785	\$13,873	\$8,242	\$0
One-time Investments (One-time/Solutions)	-\$6,361	-\$11,952	-\$2,109	-\$2,688	\$972
<b>Operating Surplus/Deficit—Excluding One-Time</b>	<b>-\$3,404</b>	<b>-\$1,407</b>	<b>-\$6,417</b>	<b>-\$10,918</b>	<b>-\$14,324</b>

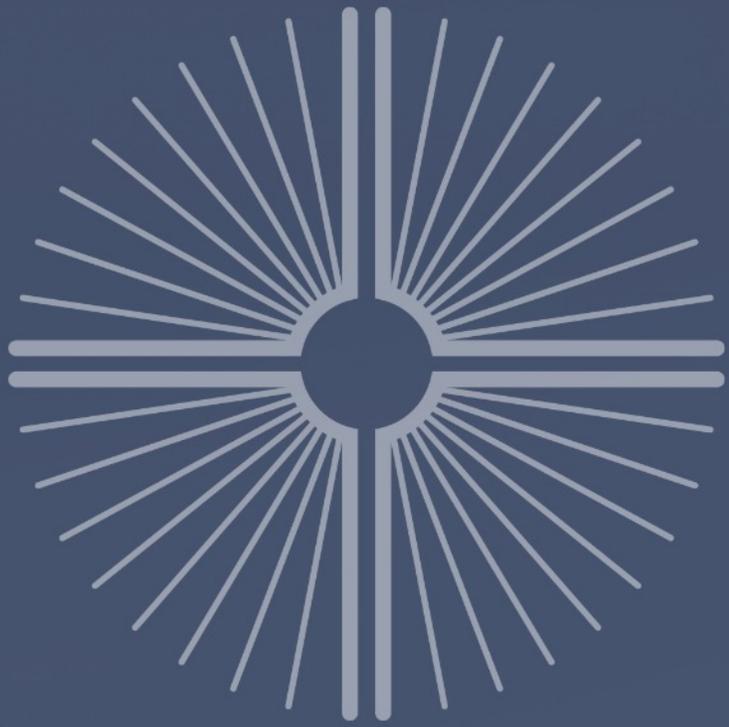
Note: Totals may not add due to rounding

# National Economy Outpacing CA Budget Forecast

July 27 Commerce Department report shows that the U.S. economy “surprisingly accelerated to a 2.4% annual growth rate from April through June,” picking up “from the 2% growth rate in the January-March quarter,” which also was above expectations. As reported by the Associated Press, “companies plowed more money into factories and equipment,” as “increased spending by state and local governments also helped fuel the economy’s expansion.” Consumer spending “slowed to a 1.6% annual rate from a robust 4.2% pace in the first quarter of the year.”

It should be noted that the bulk of the anticipated \$42 billion in delayed California taxes is based off of 2022, not 2023, income.

<b>U.S. Economy Growing Faster than California Budget Forecast</b>			
	2023Q1	2023Q2	2023Q3
<i>Department of Finance Economic Forecast, 5/12/2023</i>			
Nonfarm employment (millions)	155.2	155.4	155.0
Quarterly Average, S&P 500 Stock Index	4,000	4,091	4,139
Real Gross Domestic Product, Percent Change	-0.4%	-0.1%	1.2%
U.S. personal income (billions)	22,573	22,712	22,963
Consumption (billions of chained 2012 dollars)	14,304	14,300	14,336
Investment (billions of chained 2012 dollars)	3,567	3,526	3,485
Net exports (billions of chained 2012 dollars)	-1,240	-1,200	-1,145
Government purchases (billions, chained dollars)	3,458	3,463	3,480
<i>Official Estimates Released by U.S. Bureau of Economic Analysis, 7/27/2023*</i>			
Nonfarm employment (millions)	155.2	156.0	NA
Quarterly Average, S&P 500 Stock Index	4,000	4,206	4,497**
Real Gross Domestic Product, Percent Change	2.0%	2.4%	NA
U.S. personal income (billions)	22,519	22,755	NA
Consumption (billions of chained 2012 dollars)	14,360	14,419	NA
Investment (billions of chained 2012 dollars)	3,579	3,629	NA
Net exports (billions of chained 2012 dollars)	-1,208	-1,206	NA
Government purchases (billions, chained dollars)	3,485	3,507	NA
* Employment and stock data are most recent data from other sources.			
** As of July 26, 2023			



# Housing



# AB/SB 142

## California Community Colleges (CCC) Student Housing Support.



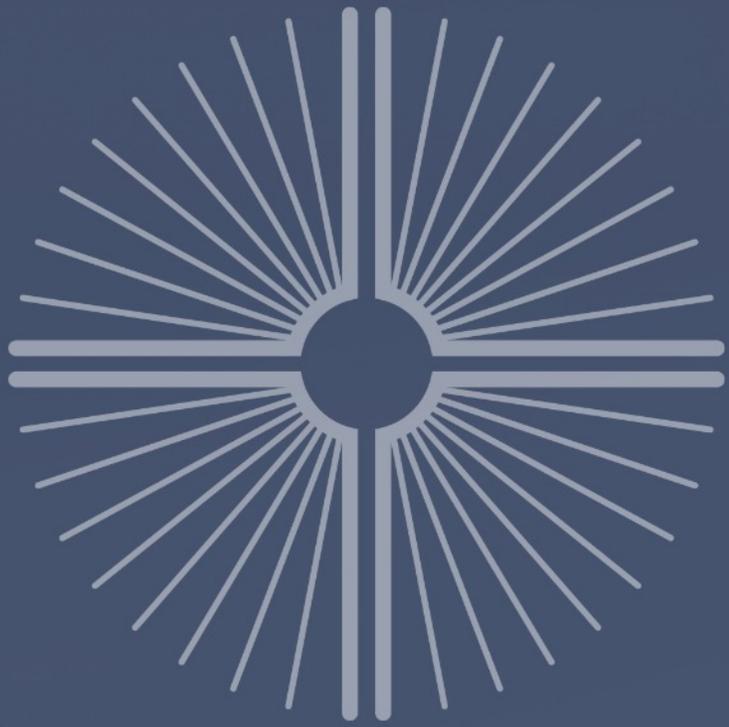
Expresses legislative intent that, a statewide lease revenue bond, or other statewide financing or fiscal approach will be developed to support California community college affordable student housing projects



Shifts the support of three CCC and University of California (UC) intersegmental projects from CCC to UC.



Clarifies that the CCC campuses that received General Fund support for grants in the Budget Act of 2022 shall revert those General Fund resources by June 29, 2024, or upon the enactment of the 2024 Budget Act, whichever is later.



# Leadership Change





President Pro Tempore Transition



Jeremy B. "Name, Position, Or..." · 8/29/23 ...

Envisioning California's new power centers under @CASpeakerRivas and Pro Tem @ilike\_mike

# Potential Candidates for Governor 2026

LT. Gov Eleni Kounalakis

State Controller Betty Yee  
(Retired)

Attorney General Rob  
Bonta (Exploring)

SPI Tony Thurmond  
(Exploring)



## Master Plan for Career Education

**CAREER EDUCATION**

# Master Plan for Career Education



- “All Californians deserve a path to pursue their dreams and reach their full potential,” **said First Partner Jennifer Siebel Newsom**. “By expanding opportunities to garner tangible skills and on-the-job experience critical for employment, we’re empowering students and workers to succeed in whatever career they choose.”
- **BREAK DOWN SILOS**  
The state will identify opportunities for alignment and coordination across sectors — both public and private — to ensure more career and skill-building opportunities for students and workers.

# Goals



are requested to, develop and submit to the Governor's Office a proposed new Master Plan on Career Education to integrate and align the programs funded by the State's historic investments in this space.



The Plan shall be developed in collaboration with the agencies, departments, boards, and offices responsible for implementing the initiatives described in this Order, whose participation is directed or requested, as applicable, and with input from Legislative partners and stakeholders representing students, parents and families, education professionals, labor, business, and community groups.

# Partners

- On or before October 1, 2024,
- the President of the State Board of Education (SBE),
- Secretary of the Labor and Workforce Development Agency ('LWDA),
- and Director of the Governor's Office of Business and Economic Development (GO-Biz),
- and Director of the Department of Rehabilitation (DOR) and the Chancellor of the California Community Colleges (CCC),
- Chancellor of the California State University (CSU),
- President of the University of California (UC),
- and Superintendent of Public Instruction (SPI)

# Members are asked to Consider



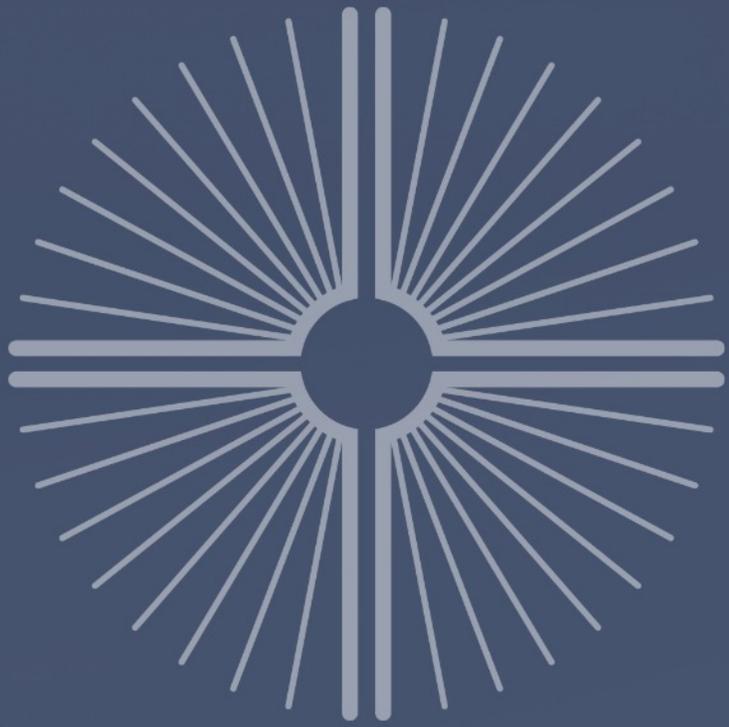
**Career Pathways.** All students, beginning at the start of high school, should be encouraged to discover and explore well-compensated, lasting careers-including those that do and do not require college degrees-and be guided to pathways to those careers.



**Hands-on Learning and Real-Life Skills.** Students and workers should have expansive opportunities to "learn by doing" and be trained in real-life skills, especially via paid earn-and-learn opportunities.

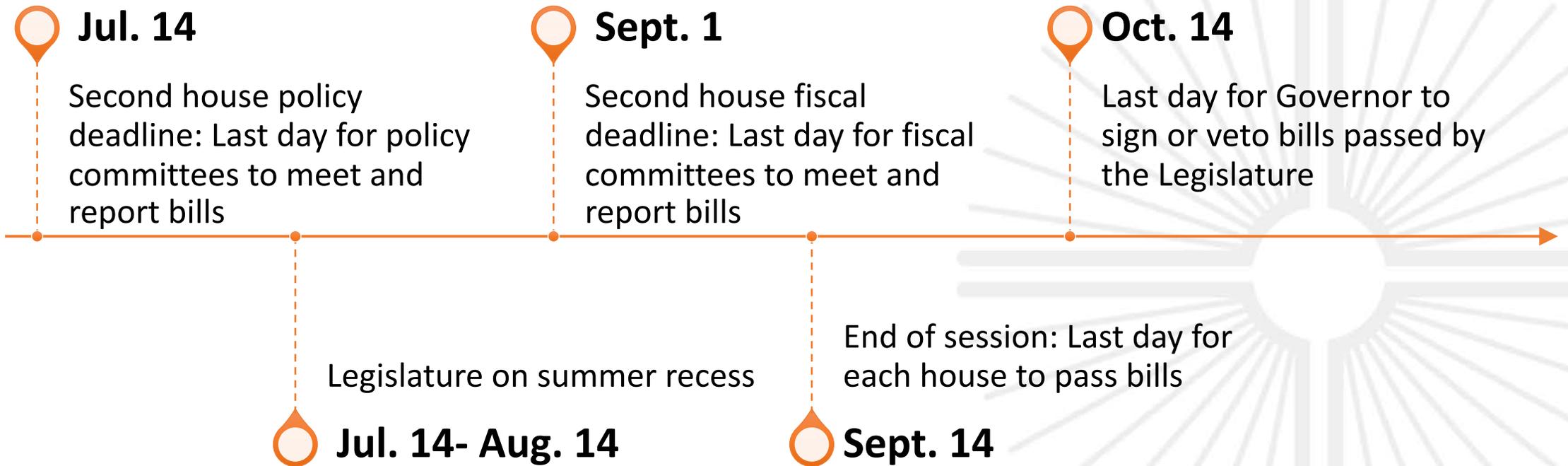


**Universal Access and Affordability.** Students and workers should have access to career education through systems that reduce the burdens of substantial debt and the challenges of navigating confusing bureaucracies.



# Legislative Update and Bill Discussion

# Legislative Calendar



# Legislation

## Academic Affairs:

- AB 634 (Ward) CDCP Programs: **SUPPORT**
- AB 811 (M. Fong) Repeatability: **WATCH**
- AB 1096 (M. Fong) Educational instruction: **WATCH**
- AB 1749 (McCarty) UC ADT Program: **WATCH**

## Collective Bargaining:

- AB 472 (Wicks) Leaves of Absence: **OPPOSE**
- AB 1699 (McCarty) K-14 Classified Employees: **OPPOSE**
- SB 433 (Cortese) Third Party Disciplinary Hearings: **OPPOSE**

## Workforce:

- AB 689 (Carrillo) Healthcare Workers: **OPPOSE**
- AB 746 (Sanchez) Learning-Aligned Employment Program: **SUPPORT**

## Facilities:

- AB 358 (Addis) Housing: **SUPPORT**
- SB 532 (Wiener) Ballot Measures: **SUPPORT**

- AB 247 (Muratsuchi) Facilities Bond Act: **SUPPORT**
- SB 28 (Glazer) College Health and Safety Bond Act: **WATCH**

## Student Services:

- AB 252 (Holden) Athletics: **OPPOSE**
- AB 299 (Holden) Hazing: **OPPOSE**

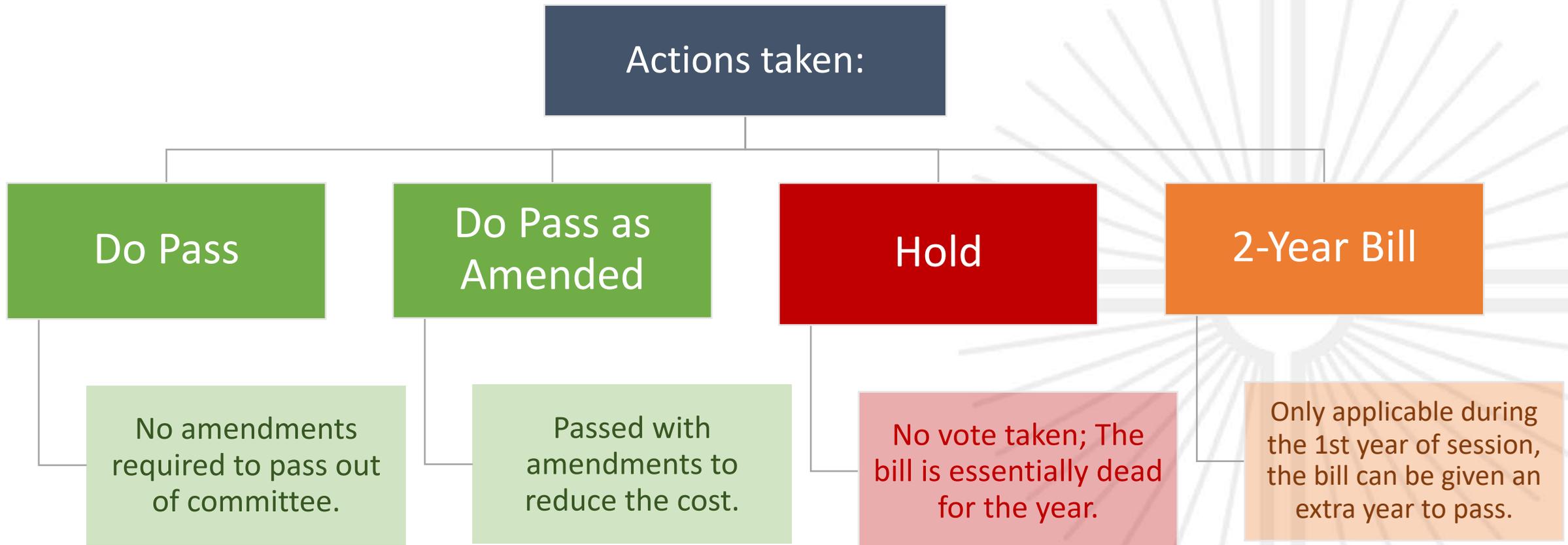
## Financial Aid and Basic Needs:

- AB 91 (Alvarez) Non-Resident Tuition: **SUPPORT**
- AB 610 (Holden) Transit Passes: **SUPPORT**
- AB 1400 (Bryan) HBCU Transfer Students: **SUPPORT**
- AB 1542 (M. Fong) BOG Students: **SUPPORT**

## Governance:

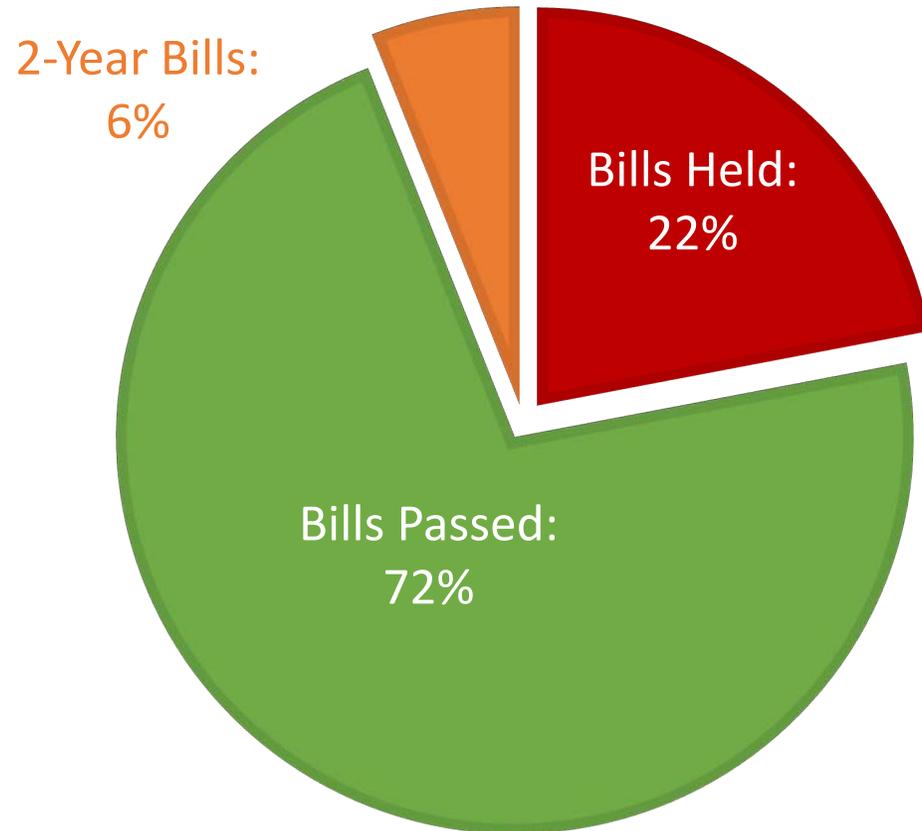
- AB 1142 (M. Fong) CPEC 2.0: **WATCH**
- AB 1248 (Bryan) Independent Redistricting Commissions: **WATCH**
- AB 1541 (M. Fong) Student Trustee Advisory Vote: **SUPPORT**

# Suspense File: Possible Outcomes

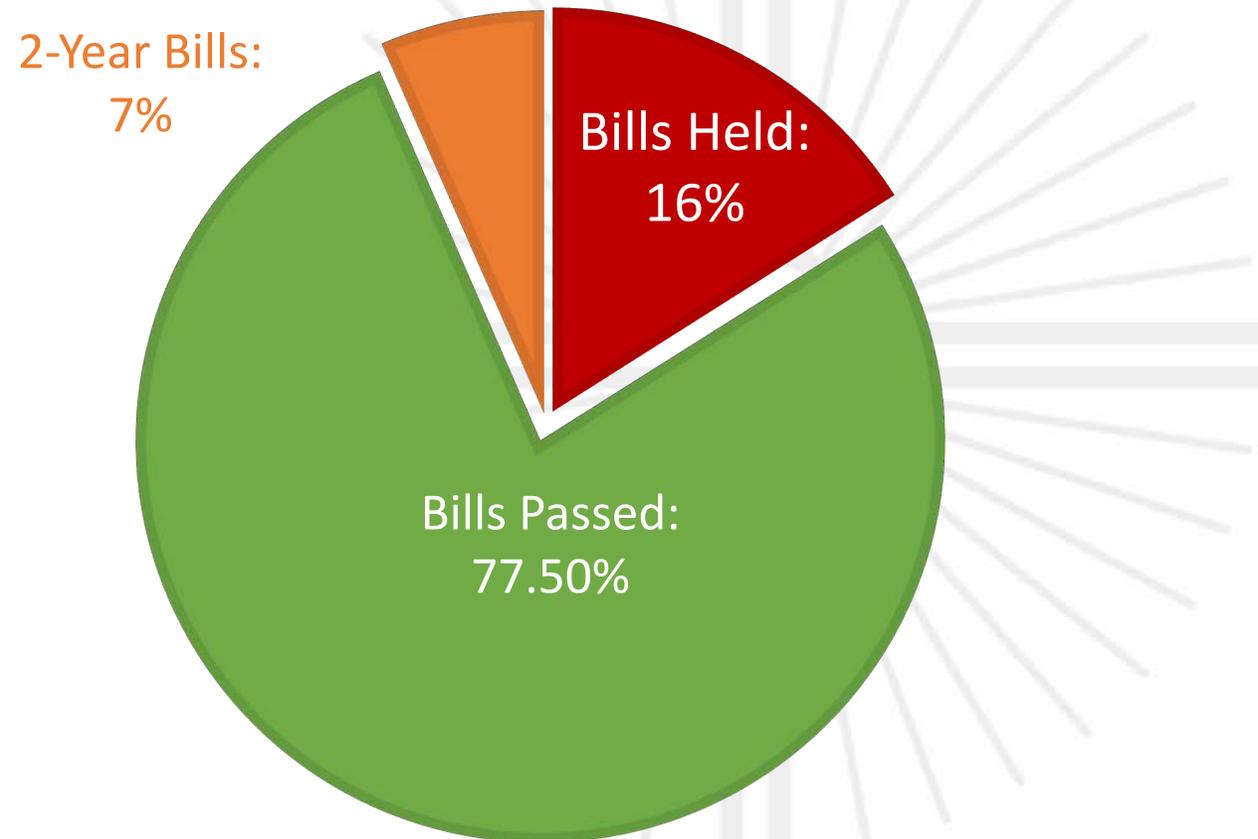


# September 1<sup>st</sup> Suspense Results

SENATE SUSPENSE RESULTS (463 BILLS)



ASSEMBLY SUSPENSE RESULTS (276 BILLS)



# League-Supported Bills Passed off Suspense

## **AB 1400 (Bryan) Community college student transfers: HBCUs**

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**

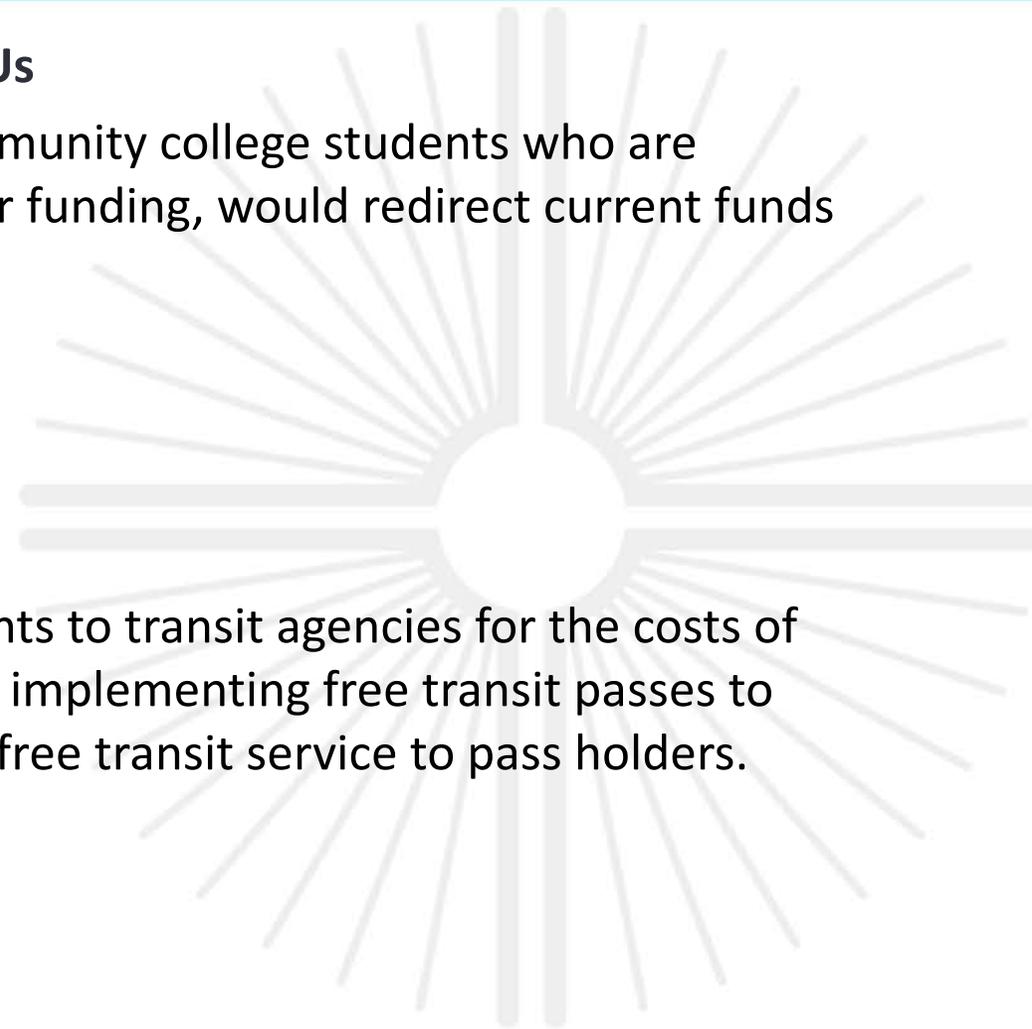
**Location:** Senate Floor

## **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 pass holders.

**Position:** **SUPPORT**

**Location:** Senate Floor



# League-Supported Bills Passed off Suspense

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

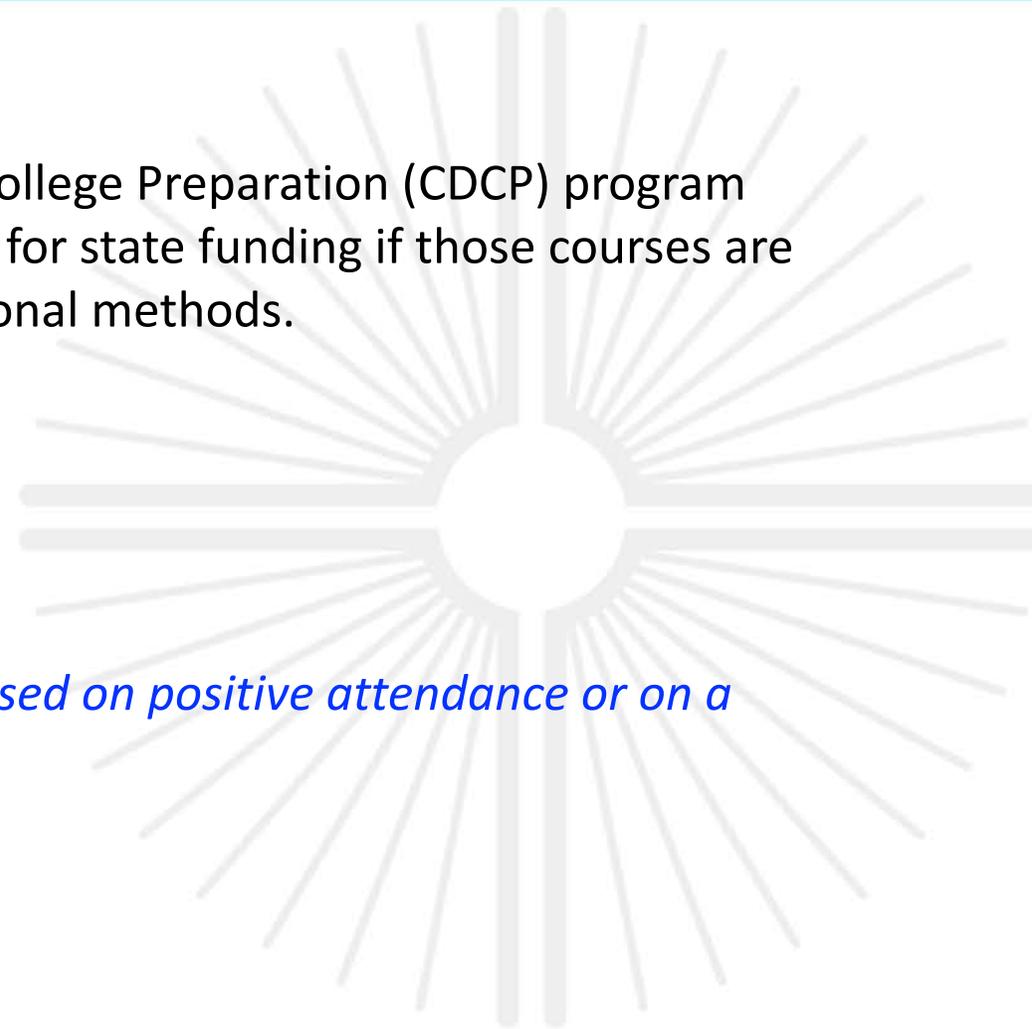
Specifies that community college Career Development and College Preparation (CDCP) program courses and classes, for which credit is not given, are eligible for state funding if those courses are offered in both face-to-face and distance education instructional methods.

**Position:** **SUPPORT**

**Location:** Senate Floor

### **Recent amendments (6/15/2023)**

*Deleted the provision requiring CDCP course funding to be based on positive attendance or on a census date basis.*



# League-Supported Bills Passed off Suspense

## **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:** Senate Floor

### **Suspense amendment related to reciprocity:**

*This act shall not become operative unless the Board of Governors of the California Community Colleges enters into an attendance agreement, on behalf of a community college that chooses to use the exemption, with a nationally or internationally accredited university located in the State of Baja California, Mexico, that provides reciprocal rights to California residents attending a university in the State of Baja California that reasonably conforms to the benefits conferred upon residents of Mexico.*

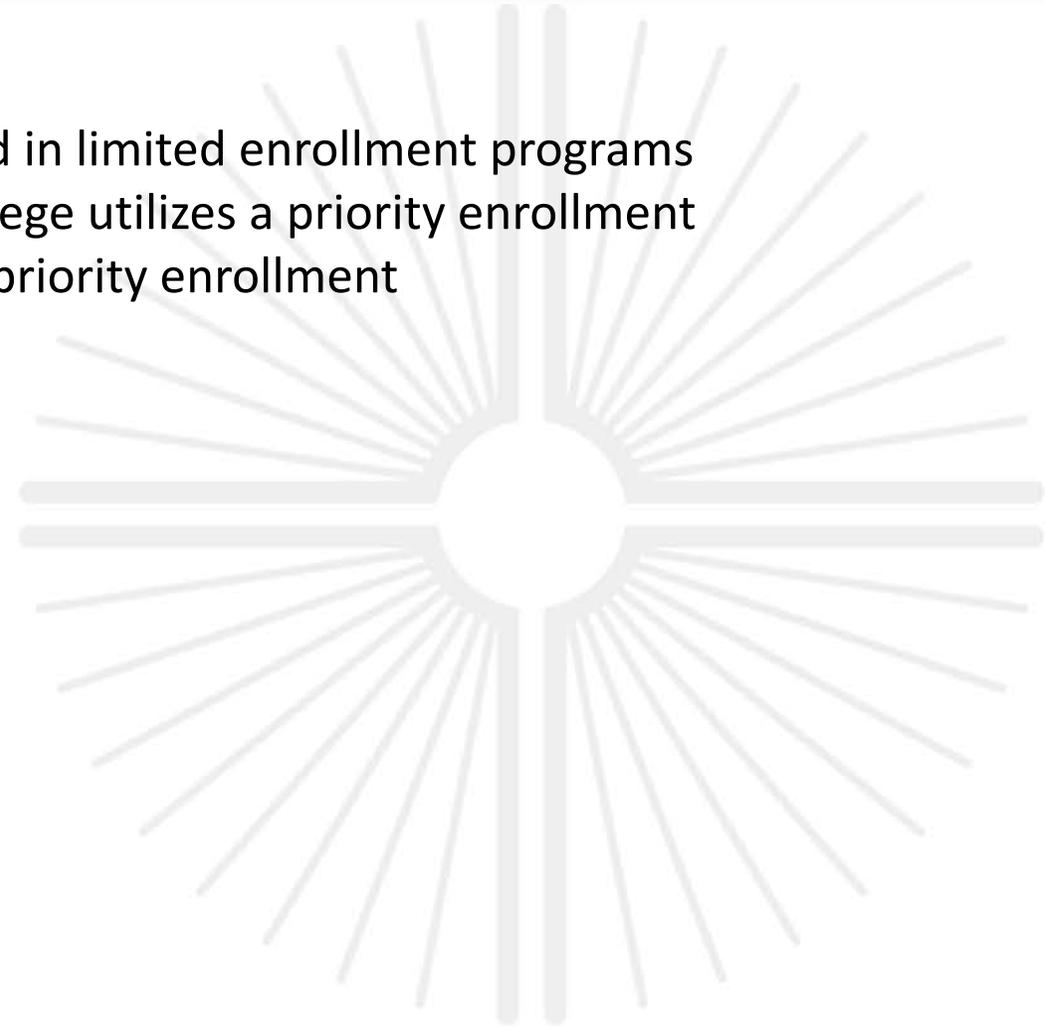
# League-Opposed Bills that were Held

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

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

**Position: OPPOSE**

**Location: Held on Suspense.**



# League-Opposed Bills passed off Suspense

## **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**

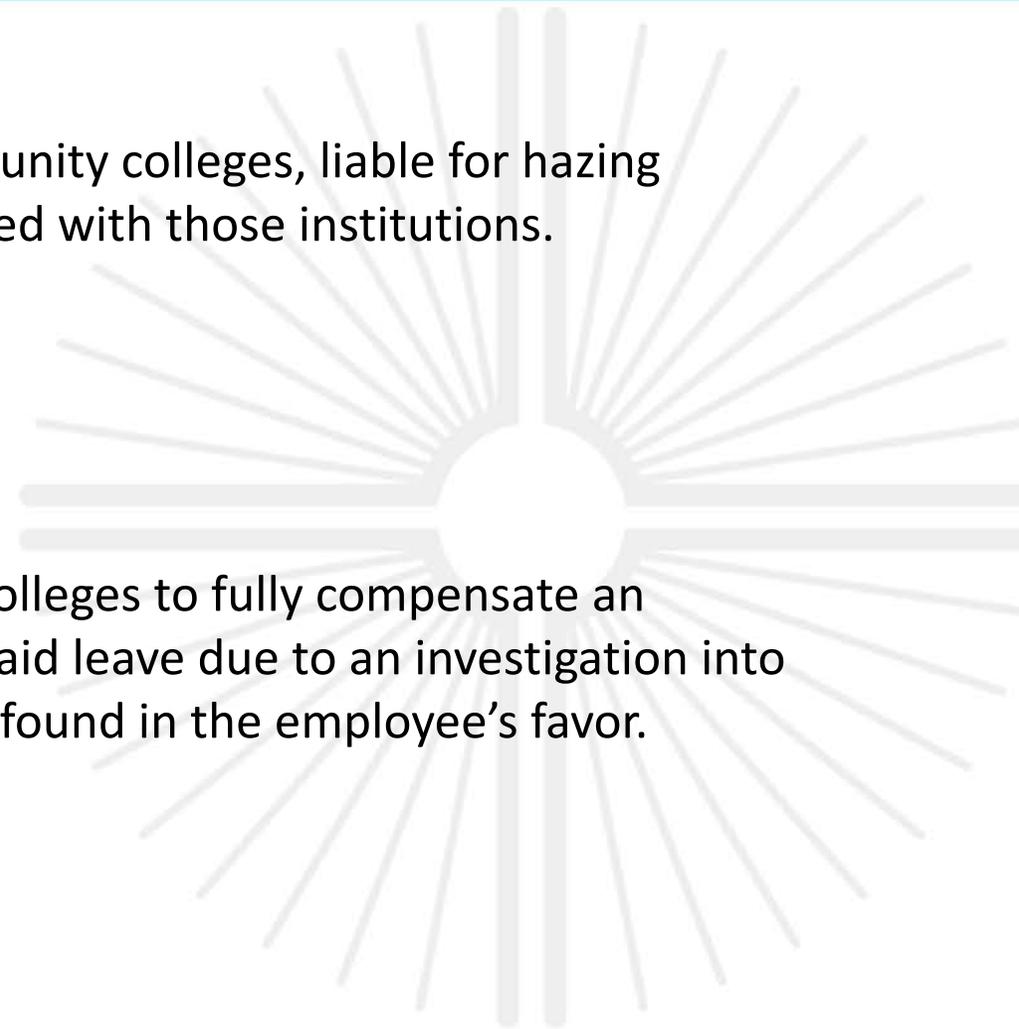
**Location:** Senate Floor.

## **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.

**Position: OPPOSE**

**Location:** Senate Floor.



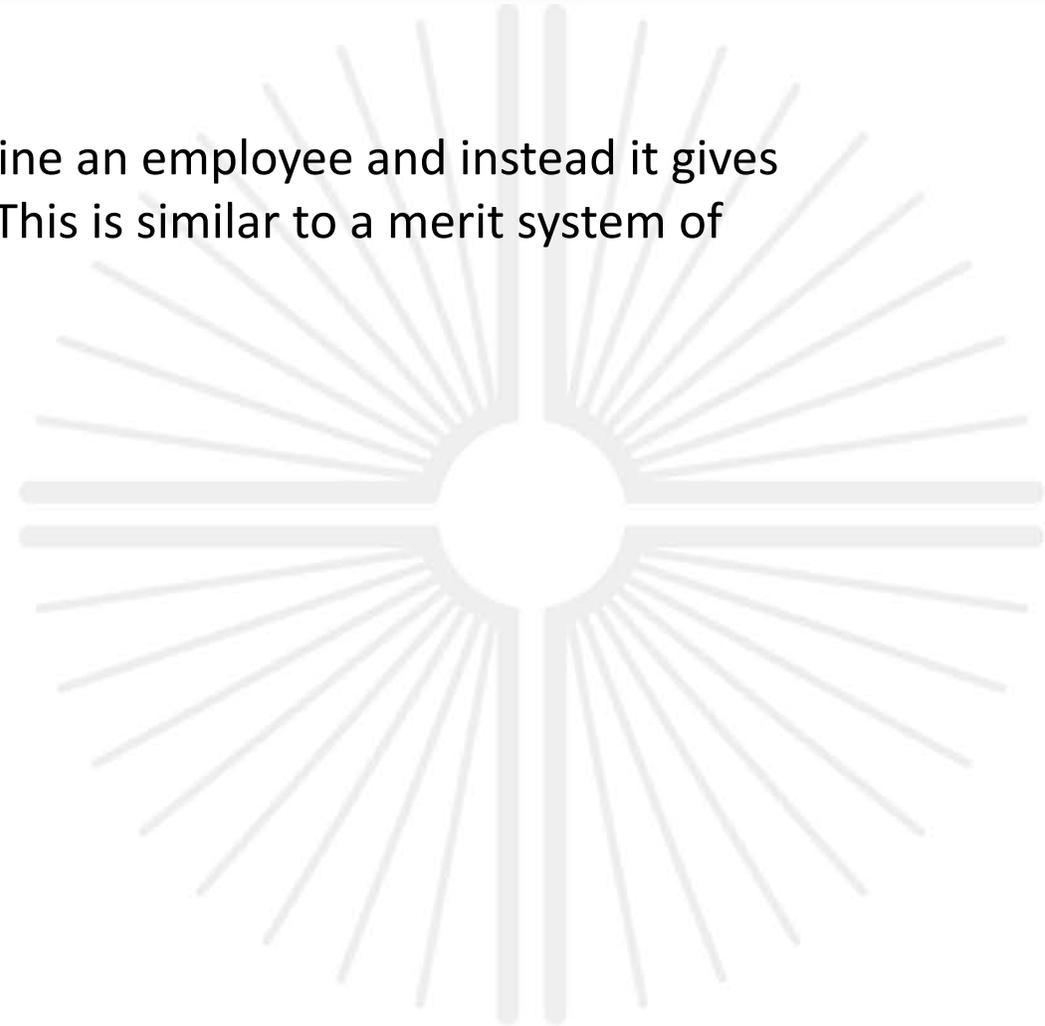
# League-Opposed Bills passed off Suspense

## **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.

**Position: OPPOSE**

**Location:** Assembly Floor



# League-Opposed Bills passed off Suspense

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

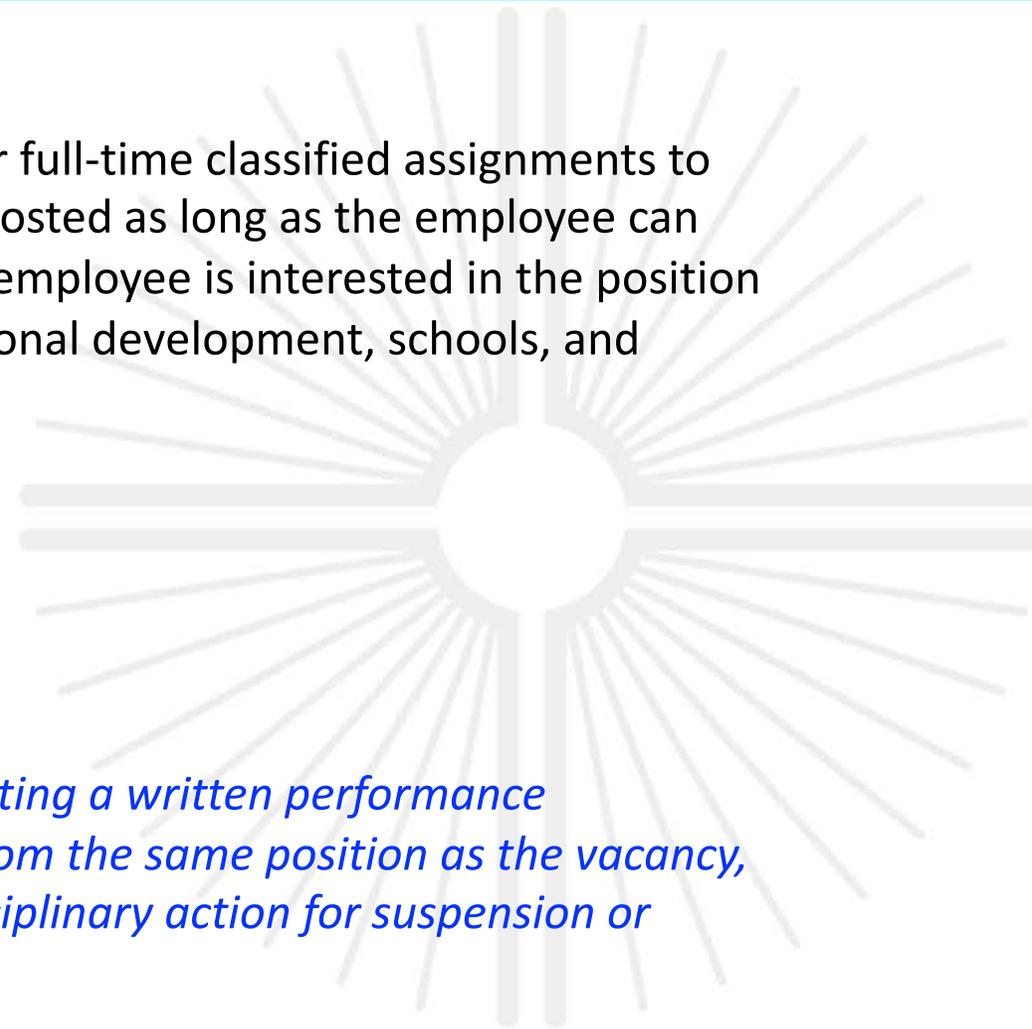
Would require local education agencies to offer any new part- or full-time classified assignments to existing classified employees before the assignment is publicly posted as long as the employee can reasonably perform the duties of the new job. If an unqualified employee is interested in the position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

**Position: OPPOSE**

**Location:** Senate Floor

### **Suspense amendment:**

*Would not apply to an employee who is in the process of completing a written performance improvement plan, who was previously involuntarily demoted from the same position as the vacancy, who has been suspended, or who is the subject of a pending disciplinary action for suspension or dismissal.*



# 2-Year Bills

## **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

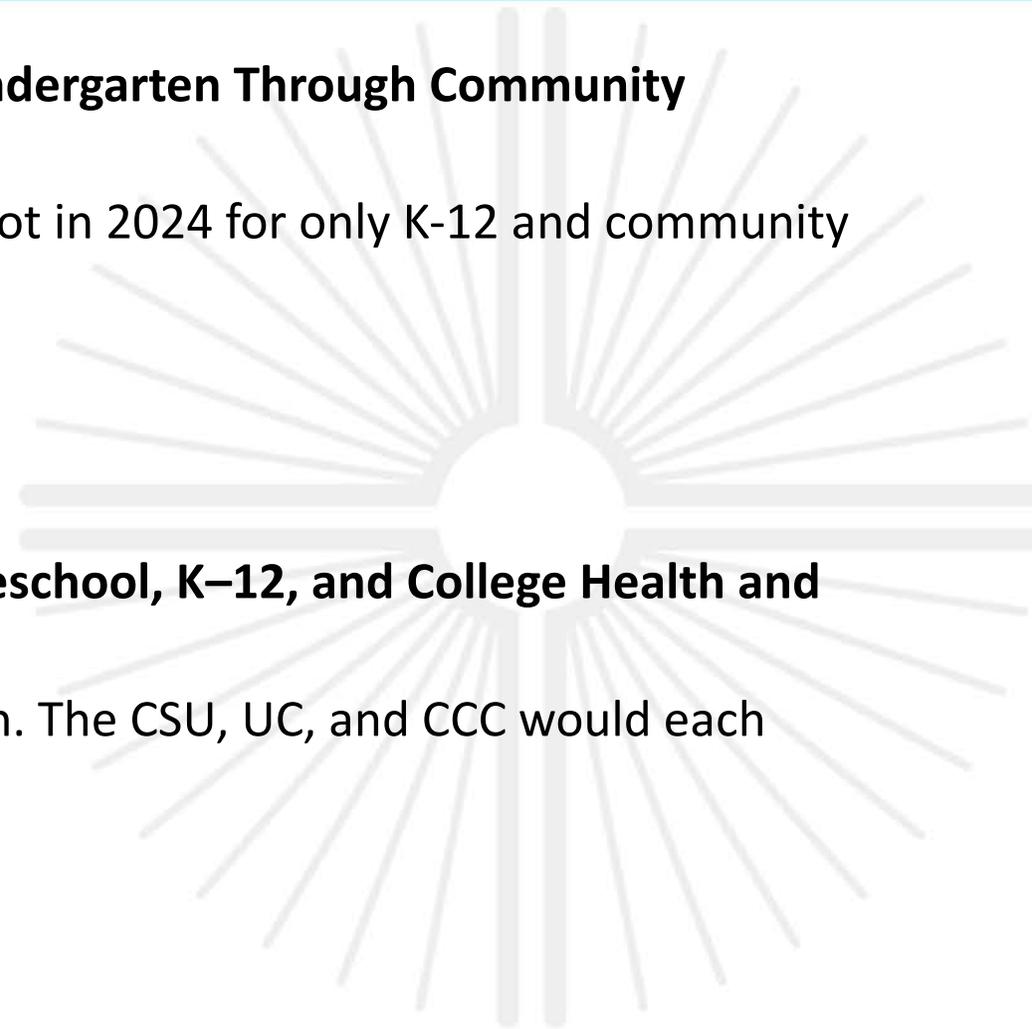
**Location:** Senate Appropriations Committee

## **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:** Assembly Appropriations Committee



# Other Bills of Note Held on Suspense

## **AB 1749 (McCarty) University of California ADT Program**

Would require all UC campuses to participate in the ADT program, creating one unified CSU/UC ADT pathway per degree.

**Position: WATCH**

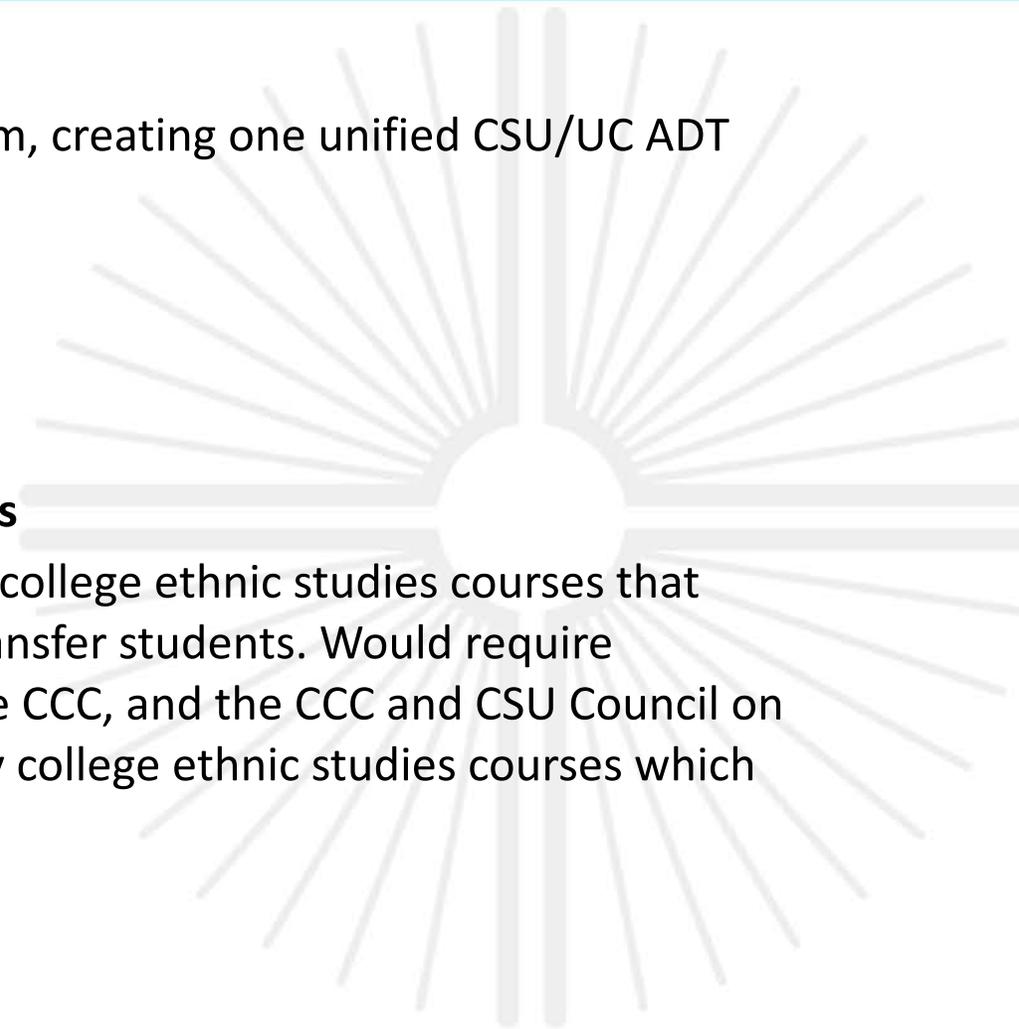
**Location: Held on Suspense.**

## **AB 506 (M. Fong) CSU Graduation Requirements: Ethnic Studies**

Would create a new process for the CSU to approve community college ethnic studies courses that meet the CSU Ethnic Studies graduation requirement for CCC transfer students. Would require collaboration between the Academic Senates of the CSU and the CCC, and the CCC and CSU Council on Ethnic Studies. Would require a review of nearly 650 community college ethnic studies courses which currently satisfy this requirement.

**Position: WATCH**

**Location: Held on Suspense.**



# Other Bills of Note Passed off Suspense

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

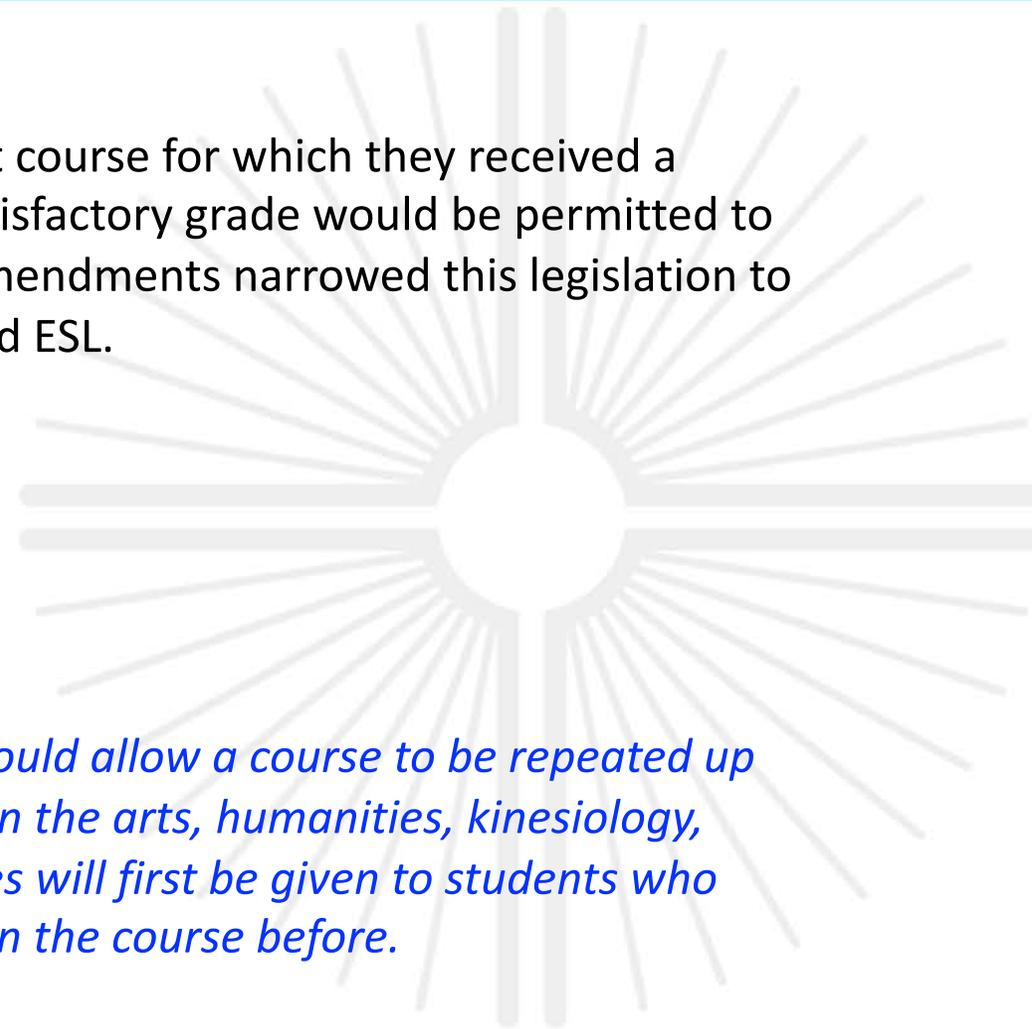
Would increase the number of times a student may take a credit course for which they received a substandard grade up to five times. Students who received a satisfactory grade would be permitted to repeat a course at least three times for personal enrichment. Amendments narrowed this legislation to focus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

**Position: WATCH**

**Location:** Senate Floor

### **Suspense amendment:**

*Significantly narrows the bill by striking out the provision that would allow a course to be repeated up to 5 times. Now, the bill only allows 2x repeatability for courses in the arts, humanities, kinesiology, foreign languages, and ESL. Priority registration for credit courses will first be given to students who require the course for their major or students who have not taken the course before.*



# Other Bills of Note Passed off Suspense

## **SB 444 (Newman) Mathematics, Engineering, Science, Achievement (MESA)**

Would require the CCC BOG to adopt regulations for MESA programs that align with the programmatic components of current MESA programs, such as increasing the number of disadvantaged students pursuing four-year degrees in STEM majors, improving the academic performance of MESA program students, and increasing student leadership skills.

**Position: WATCH**

**Location:** Assembly Floor

### **Suspense amendment:**

*Strikes out the former requirements that 1) a MESA program to be managed by a full-time program director at each CCC 2) CCCs receiving grants from MESA program funding do not use more than 15% of their grant to support the salary of the program director 3) requiring instructors, counselors, and other staff at the CCC to provide support to the program director.*

# Other Bills of Note Passed off Suspense

## **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**

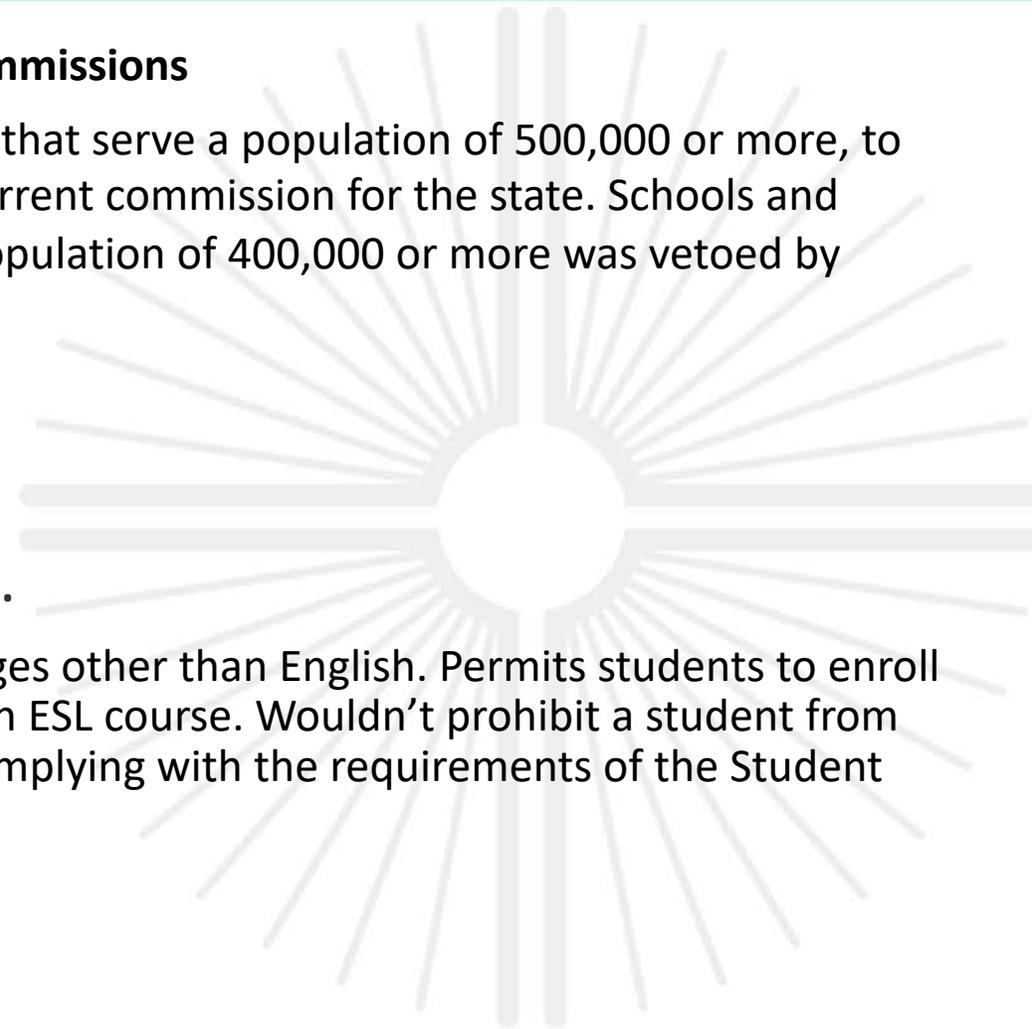
**Location: Senate Floor**

## **AB 1096 (M. Fong) Educational instruction: language of instruction.**

Would allow a community college to offer courses taught in languages other than English. Permits students to enroll in these course without the requirement to concurrently enroll in an ESL course. Wouldn't prohibit a student from enrolling in an ESL course or preclude a community college from complying with the requirements of the Student Equity and Achievement Program.

**Position: WATCH**

**Location: Senate Floor**



# Other Bills of Note Passed off Suspense

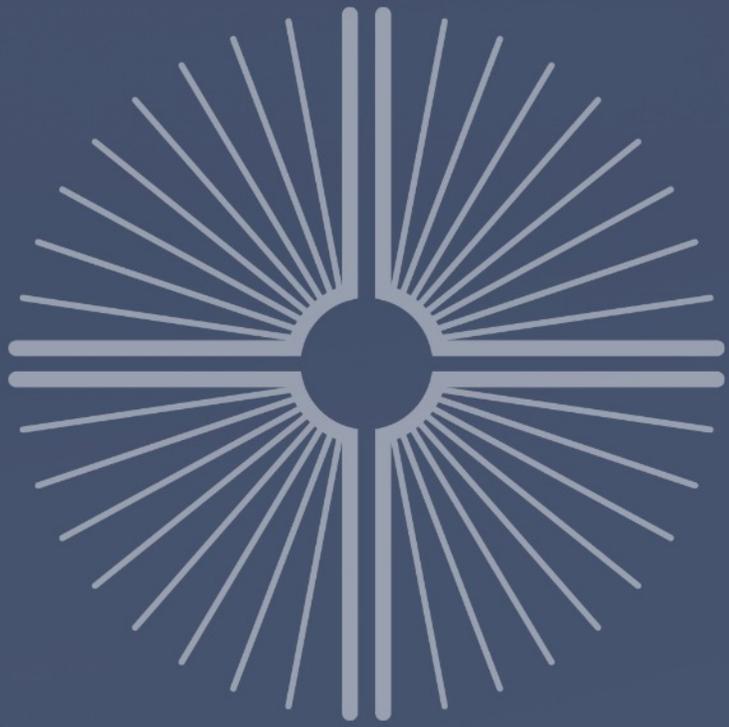
## **SB 447 (Atkins) GO-Biz**

Would lift California's travel ban to states with anti-LGBTQ+ laws and establish at the Governor's Office of Business and Economic Development (GO-Biz) the Building and Reinforcing Inclusive, Diverse, Gender-Supportive Equity Project (BRIDGE Project) to promote social equity, civil rights, and antidiscrimination through education, marketing, and advertising campaigns.

**Position: WATCH**

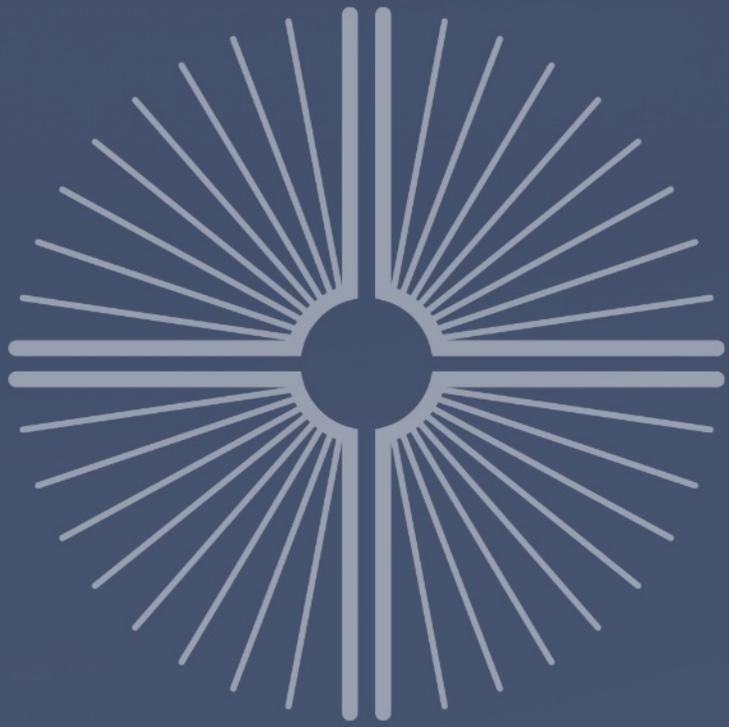
**Location: Assembly Floor**





Questions?





Thank you!

