

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 2 ON EDUCATION FINANCE

Assembly Member Kevin McCarty, Chair

**WEDNESDAY, MAY 26, 2021
1:30 PM, STATE CAPITOL, ASSEMBLY CHAMBER**

Due to the ongoing COVID-19 safety considerations, including guidance on physical distancing, seating for this hearing will be very limited for the press and for the public. All are encouraged to watch the hearing from its live stream on the Assembly's website at <https://assembly.ca.gov/todayevents>.

We encourage the public to provide written testimony before the hearing. Please send your written testimony to: BudgetSub2@asm.ca.gov. Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted.

A moderated telephone line will be available to assist with public participation. The public may provide comment by calling the following toll-free number: 877-692-8957, Access Code: 242 62 37.

HIGHER EDUCATION

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VOTE-ONLY ITEMS

6120 CALIFORNIA STATE LIBRARY

VOTE-ONLY ISSUE 1: ZIP BOOKS

The Governor's Budget proposes \$1 million ongoing General Fund for the Zip Books project, which provides for easily accessible online purchasing and convenient shipping of library books to ensure timely and cost-effective access to information in California's hard-to-reach and underserved communities.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 2: LUNCH AT THE LIBRARY

The Governor's Budget proposes \$800,000 ongoing General Fund to support the Lunch at the Library program. One-time funding was appropriated in budget actions taken this spring to allow libraries to offer this program this summer. The Governor's Budget proposes to make this an ongoing program.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 3: MOBILE LIBRARIES

The Governor's Budget proposes \$3 million one-time General Fund to support grants to local library jurisdictions to acquire bookmobiles and vans.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 4: EARLY LEARNING AND AFTER-SCHOOL PROGRAMS

The Governor's Budget proposes \$5 million one-time General Fund to provide grants for early learning and after school programs to library jurisdictions.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 5: CENIC INCREASE

The Governor's Budget proposes \$500,000 ongoing and \$300,000 one-time General Fund to support increased costs for library broadband services as part of the CENIC network.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 6: MAY REVISION PROPOSALS

The May Revision proposes multiple new library projects:

Local Library Infrastructure Grants —It is requested that Item 6120-161-0001 be added in the amount of \$50 million to provide grants for local library infrastructure improvements through an equity-focused matching infrastructure grant program

Civil Liberties Education Grant Program —It is requested that Item 6120-150-0001 be added in the amount of \$5 million one-time to support the Civil Liberties Education Grant Program (see Attachment 2). This grant program supports the creation and dissemination of educational and public awareness resources concerning the history and the lessons of civil rights violations or civil liberties injustices carried out against communities or populations. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2024.

Broadband Connectivity —It is requested that Item 6120-215-0001 be increased by \$6 million one-time to support the Broadband Connectivity initiative for public libraries. This initiative supports library grants to leverage federal funds to connect rural and under-sourced public libraries, tribal libraries and cultural centers, and to upgrade local library equipment to support high speed connectivity.

Federal “E-Rate” Maximization for Broadband Access —It is requested that Item 6120-215-0001 be increased by \$35 million one-time to support local projects to expand broadband access for isolated and under-served communities through a collaborative partnership of local education agencies, regional and local libraries, and telehealth providers. The projects funding through the proposed program would also be eligible to leverage funding available through the Federal Universal Service Program for Schools and Libraries (“E-Rate”). It is also requested that these funds be available for encumbrance or expenditure until June 30, 2025.

Augmentation for Continued Broadband Access Provided by CENIC —It is requested that Item 6120-215-0001 be increased by \$300,000 to support CENIC circuit deployment fees to local libraries.

Literacy for English Language Learners —It is requested that Item 6120-213-0001 be increased by \$15 million to expand access and support to the English as a Second Language Learners program available through local libraries.

K-12 Online Homework Help Desk through Local Libraries —It is requested that Item 6120-221-0001 be added in the amount of \$6.4 million to support a two-year pilot project for a real-time, online tutoring service program that would be accessible by elementary and secondary school pupils through local libraries, irrespective of whether the pupil accesses the assistance on-site at the local library or through a personal device. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2023

Assistive Technology for Visually Impaired Californians —It is requested that Item 6120-011-0001 be increased by \$1,641,000 one-time and 2 positions and \$220,000 ongoing to support a pilot project to implement new assistive technologies and to expand access to those resources to visually-impaired Californians. The California State Library would collaborate with the Braille Institute of America in Los Angeles to implement these technology and to expand access to those resources.

Disaster Preparedness for Cultural Heritage Agencies —It is requested that Item 6120-011-0001 be increased by \$835,000 and 6 positions, and Item 6120-219-0001 be added in the amount of \$1,552,000 to support the development of disaster preparedness plans to protect at-risk art, and historically and culturally significant collections that are publicly and privately held by underserved and underrepresented communities. It is also requested that these funds be available for encumbrance or expenditure until June 30, 2025.

Federal Institute of Museum and Library Funds Augmentation —It is requested that Item 6120-211-0890 be increased by \$10,578,000 to reflect available one-time federal Institute of Museum and Library Services Grant funds from the American Rescue Plan of 2021.

Program Manager for the California Homeless Youth Project —It is requested that Item 6120-011-0001 be increased by \$130,000 and 1 position to support Library workload associated with the California Homeless Youth Project.

K-12 Student Online Science, Technology, Engineering, Arts, and Mathematics (STEAM) Databases —It is requested that Item 6120-011-0001 be increased by \$241,000 and 2 positions to support expanded access to online educational database resources available to K-12 students and education professionals.

Data and Systems Librarians —It is requested that Item 6120-011-0001 be increased by \$345,000 and 3 positions to curate, preserve, and archive increasing amounts of electronic data being generated by state agencies and other relevant entities; and to coordinate and support information services and automated processes to facilitate

convenient and efficient access to this information by policymakers, researchers, and the public.

Adjustment to State Government Oral History Program —It is requested that Item 6120-011-0001 be decreased by \$75,000 ongoing and Item 6120-212-0001 be decreased by \$150,000 ongoing to shift the administration of these funds from the California State Library to the Secretary of State, which oversees the California State Archives.

Staff Recommendation: Approve the May Revision proposals

6440 UNIVERSITY OF CALIFORNIA

VOTE-ONLY ISSUE 7: RESEARCH FUNDS ADJUSTMENTS

The May Revision proposes that Item 6440-001-0007 be increased by \$11,106,000 to reflect updated Breast Cancer Research Fund estimates. The May Revision also requests that Item 6440-001-0234 be increased by \$6,036,000, of which \$1,880,000 reflects updated available Proposition 99 resources and \$4,156,000 reflects a reappropriation of tobacco-related disease research resources from the 2019 Budget Act.

In addition, the May Revision requests that provisional language for Item 6440-490 be amended as follows to provide for a reappropriation of tobacco-related disease research resources:

“6440 490—Reappropriation, University of California. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2022:

0007—Breast Cancer Research Account, Breast Cancer Fund

(1) Item 6440-001-0007, Budget Act of 2019

0234—Research Account, Cigarette and Tobacco Products Surtax Fund

(1) Item 6440-001-0234, Budget Act of 2019”

Staff Recommendation: Approve the May Revision adjustments

VOTE-ONLY ISSUE 8: FIREARM VIOLENCE RESEARCH CENTER

The Governor's Budget assumes \$1 million ongoing General Fund to support the UC Davis Firearms Violence Research Center, once one-time funding expires. The May Revision amends the budget bill language to correct the name of the center, which is the University of California Firearm Violence Research Center.

Staff Recommendation: Approve the Governor's Budget and May Revision proposals

VOTE-ONLY ISSUE 9: IMMIGRATION LEGAL SERVICES

The Governor's Budget assumes \$1.5 million ongoing General Fund to support immigration legal services, once one-time funding expires. The UC Student Association has requested an additional \$200,000 ongoing to reflect workload.

Staff Recommendation: Approve the Governor's Budget proposal and an additional \$200,000 ongoing General Fund

VOTE-ONLY ISSUE 10: GRADUATE MEDICAL EDUCATION ADJUSTMENT

The May Revise requests that Item 6440 001-0001 be decreased by \$1,608,000 for the Graduate Medical Education grant program to maintain a total of \$40 million for the program based on the most recent Proposition 56 revenue estimates.

Staff Recommendation: Approve the May Revision adjustment

VOTE-ONLY ISSUE 11: EMERGENCY STUDENT FINANCIAL AID LANGUAGE ADJUSTMENT

The May Revise requests that Provision 17 of Item 6440-001-0001 be amended to align emergency student financial aid eligibility criteria for funding available to University of California students with criteria established by Chapter 4, Statutes of 2021 (AB 85) for similar funding available to California Community College students.

Staff Recommendation: Approve the May Revision adjustment

6600 HASTINGS COLLEGE OF LAW

VOTE-ONLY ISSUE 12: BASE OPERATIONS INCREASE

The Governor's Budget proposes a \$2.1 million General Fund ongoing increase to Hastings budget. The Governor links the General Fund augmentation to an expectation that Hastings not increase tuition in the 2021-22 academic year.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 13: ALTERNATIVE CAMPUS SAFETY PROGRAM

The May Revision requests that Item 6600-001-0001 be increased by \$3 million on a one-time basis to provide support for an alternative campus public safety program. Funding shall be available for encumbrance or expenditure until June 30, 2024.

Staff Recommendation: Approve the May Revision proposal

6870 CALIFORNIA COMMUNITY COLLEGES

VOTE-ONLY ISSUE 14: CENIC INCREASE

The Governor's Budget proposes \$8 million ongoing General Fund to support increased costs for colleges' broadband services as part of the CENIC network.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 15: FACILITIES PLANNING UNIT ADJUSTMENTS

The May Revision requests that Item 6870-001-0574 be added in the amount of \$1,446,000, Item 6870-001-0658 be added in the amount of \$186,000, and Item 6870-001-6041 be added in \$15,000. It is also requested that Item 6870-001-6028 be increased by \$152,000, Item 6870-001-6049 be increased by \$408,000, and Item 6870-001-6087 be decreased by \$2,207,000. The proposed adjustments shift appropriation authority between bond funds to reflect available bond authority. These funds support the California Community Colleges Chancellor's Office Facilities Planning Unit.

Staff Recommendation: Approve the May Revision adjustments

VOTE-ONLY ISSUE 16: FUND ADJUSTMENTS

The May Revision requests the following fund adjustments:

Hold Harmless funding for SCFF: Schedule (1) of Item 6870-101-0001 be increased by \$87,092,000 to reflect a revised estimate of hold harmless funding for districts under the Student-Centered Funding Formula.

Technical Base Apportionment Adjustments: It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$86,425,000 to reflect various technical base apportionment adjustments.

Net Offsetting Education Protection Account (EPA) Revenue: It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$328,756,000 to reflect an increase in estimated net offsetting EPA revenue. It is also requested that corresponding adjustments be made to related non Budget Act items.

Net Offsetting Property Tax Revenue: It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$62,426,000 to reflect a decrease in estimated net offsetting property tax revenue. It is also requested that a conforming adjustment be made to a related informational non-Budget Act item.

Offsetting Student Fee Revenue: It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$3,756,000 to reflect an associated increase in estimated offsetting student fee revenue. It is also requested that a conforming adjustment be made to a related informational non-Budget Act item.

Offsetting Oil and Mineral Revenue: It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$599,000 to reflect a decrease in estimated offsetting oil and mineral revenue. It is also requested that a conforming adjustment be made to a related informational non-Budget Act appropriation.

Adjustment to California College Promise Program Funding: It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$2,207,000 to reflect revised estimates of the number of eligible students for the program. It is also requested that a technical change be made to provisional language to revise an incorrect statutory reference.

It is further requested that subdivision (d) of Provision 2 of this item be amended as follows to conform to this action:

“(d) Of the funds appropriated in Schedule (1), \$74,717,000 \$72,510,000 shall be allocated to support the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 2 7 of Title 3 of the Education Code.”

Student Success Completion Grant: It is requested that Item 6870-108-0001 be increased by \$27,152,000 to reflect a revised estimate of eligible Cal Grant B and Cal Grant C students for 2021-22.

2020-21 Apportionment Adjustments to Reflect Revised Local Revenue Estimate: It is requested that statutory changes transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2020 by \$86,936,000 to

reflect an associated decrease in revised offsetting local revenue estimates. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

2020-21 Apportionment Adjustments to Reflect Revised Estimate of Offsetting Student Fees: It is requested that statutory changes transmitted with the Governor's Budget be amended to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2020 by \$3,725,000 to reflect revised estimates of offsetting student fees. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

2020-21 Net Offsetting EPA Revenue: It is requested that statutory changes transmitted with the Governor's Budget be amended to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2020 by \$70,542,000 to reflect an associated increase in net offsetting EPA revenue. It is also requested that corresponding adjustments be made to related non-Budget Act items.

Staff Recommendation: Approve the May Revision adjustments

VOTE-ONLY ISSUE 17: EMERGENCY STUDENT FINANCIAL AID LANGUAGE ADJUSTMENT

The May Revision requests that statutory changes transmitted with the Governor's Budget be amended to reflect language changes that conform to the emergency financial assistance investment enacted in Section 16 of Chapter 4, Statutes of 2021 (AB 85).

Staff Recommendation: Approve the May Revision adjustment

6980 CALIFORNIA STUDENT AID COMMISSION

VOTE-ONLY ISSUE 18: FINANCIAL AID PROGRAM ADJUSTMENTS

The May Revision includes multiple adjustments to the CSAC budget due to caseload and cost updates. The adjustments include:

Cal Grant Program. It is requested that Item 6980-101-0001 be decreased by \$12,948,000 to reflect revised Cal Grant program estimates. Compared to the Governor's Budget, there are reduced costs for the program of \$746,000 in fiscal year 2020-21 related to an estimated decrease in new recipients.

Assumption Program of Loans for Education. It is requested that Item 6890-101-0001 be increased by \$32,000 to reflect changes consistent with revised estimates of costs of the APLE Program. Compared to the Governor's Budget, there are increased costs of \$119,000 in 2020-21.

Middle Class Scholarship Program. It is requested that Item 6980-101-0001 be increased by \$69,000 to reflect changes consistent with revised estimates of costs of the Middle Class Scholarship Program. Compared to the Governor's Budget, there are increased costs of \$91,000 in 2020-21.

Augmentation for Increased Cal Grant Costs. It is requested that Item 6980 101-0001 be decreased by \$50,027,000 to reflect decreased Cal Grant costs.

Additional Access Awards for Students with Dependent Children Competitive Grants. It is requested that Item 6980-101-0001 be increased by \$507,000 to reflect revised cost estimates to support the increased number of competitive access awards for students with dependent children.

Reappropriation of EdFund Distribution. It is requested that Item 6980 490 be added to reappropriate one-time Student Loan Operating Fund resources provided in the 2020 Budget Act as follows:

6980-490—Reappropriation, California Student Aid Commission. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until

June 30, 2022:

0784-Student Loan Operating Fund

(1) \$100,000 in Item 6980-101-0784, Budget Act of 2020

Augmentation to Support College Access Tax Credit Fund Shortfall. It is requested that Item 6980-101-3263 be increased by \$61,000 to support a College Access Tax Credit Fund shortfall. It is further requested that statutory changes be added to provide \$298,000 one-time General Fund and \$760,000 College Access Tax Credit Fund to support a shortfall in program resources attributable to 2020-21.

John R. Justice Loan Assumption Program. Compared to the Governor's Budget, there are reduced costs of \$19,000 in 2019-20.

State Nursing Assumption Program of Loans for Education (SNAPLE). It is requested that Item 6980 101 0001 be decreased by \$42,000 in 2020-21 to reflect changes consistent with revised estimates of costs of the SNAPLE Program.

Middle Class Scholarship Program (Language Only). It is requested that statutory changes transmitted with the Governor's Budget be amended to reflect the following changes:

- For 2019-20, to align with program estimates, the statutory amount is \$116,557,000.
- For 2020-21, to align with program estimates, the statutory amount is \$116,956,000.
- For 2021-22, to align with program estimates, the statutory amount is \$117,000,000.

Staff Recommendation: Approve the May Revision adjustments

VOTE-ONLY ISSUE 19: GRANT DELIVERY SYSTEM

The Governor's Budget proposed \$1.8 million one-time and \$719,000 ongoing General Fund for maintenance and operations phase of the Grant Delivery System project.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 20: PRIVATE NONPROFIT CAL GRANT AWARD

The Governor's Budget proposes trailer bill language to extend the timeframes for private non-profit postsecondary institutions to meet associate degree for transfer (ADT) admissions to maintain the maximum Cal Grant award of \$9,084. Specifically, the sector must accept at least 3,000 ADTs in 2022-23 and 3,500 ADTs in 2023-24.

Staff Recommendation: Approve the Governor's Budget proposal

VOTE-ONLY ISSUE 21: CAL GRANT A RESTORATION DUE TO COVID

The Governor's Budget proposes trailer bill language to allow students whose living situations changed due to the COVID-19 pandemic to retain their Cal Grant A award for the 2020–21 and 2021–22 award years.

Staff Recommendation: Approve the Governor's Budget proposal

1410 BUREAU OF PRIVATE POSTSECONDARY EDUCATION**VOTE-ONLY ISSUE 22: CONTRACT WITH PUBLIC HIGHER EDUCATION INSTITUTIONS**

The Subcommittee has received a late request to amend statute to allow the Bureau of Private Postsecondary Education to contract with out-of-state public higher education institutions to allow the bureau to handle student complaints. Current law allows the bureau to contract with private institutions. This proposal would amend Section 94874.9 of the Education Code by adding the underlined phrase:

- (a) An independent institution of higher education, as defined in Section 66010, that is exempt from this chapter pursuant to subdivision (i) of Section 94874, or a public institution of higher education, as defined in Section 94858.5, shall comply with all

applicable state and federal laws, including laws relating to fraud, abuse, and false advertising.

- (b) An institution described in subdivision (a) may execute a contract with the bureau for the bureau to review and, as appropriate, act on complaints concerning the institution, in accordance with Section 600.9 of Title 34 of the Code of Federal Regulations.
- (c) The execution of a contract by the bureau with an institution pursuant to subdivision (b) shall constitute establishment by the state of that institution to offer programs beyond secondary education, including programs leading to a degree or certificate, in accordance with Section 600.9 of Title 34 of the Code of Federal Regulations.
- (d) The bureau shall use a standard form contract for purposes of this section.
- (e) A contract executed pursuant to this section shall, at a minimum, do all of the following:
 - (1) Require an institution to do all of the following:
 - (A) Cooperate with the bureau to resolve complaints received pursuant to this section.
 - (B) Provide the following disclosure notice in all written and Internet-based documentation in which the institution's complaint process is described, including the student catalog, student handbook, and the institution's Internet Web site.

Staff Recommendation: Approve the placeholder trailer bill language

MAJOR ACTIONS**6440 UNIVERSITY OF CALIFORNIA****ISSUE 1: UC BUDGET PACKAGE**

The Assembly and Senate continue to discuss major UC issues, such as enrollment growth and base funding. A final UC package will be determined in the full budget committee. Today's proposed UC actions include the following:

1. Rejects the May Revision proposal to provide \$1 billion one-time General Fund to create the Learning-Aligned Employment program.
2. Rejects the Governor's Budget proposal to tie increased funding to the requirements that UC increase online courses and provide an equity gap report.
3. Modifies the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student mental health services and student technology needs, to only support student mental health services.
4. Rejects the May Revision proposal to move the UCOP budget line item into the main campus budget item.
5. Rejects the May Revision proposal to provide \$45 million one-time General Fund to support the UC Davis animal shelter program. Instead provides the funding to support the Student Academic Preparation and Educational Partnerships (SAPEP) program.
6. Approves the Governor's Budget proposal to increase funding for the UC PRIME program by \$12.9 million ongoing General Fund. Adds reporting language requiring UC to report on how this funding was used and the outcomes it achieved.
7. Approves the May Revision proposal to provide \$15 million one-time General Fund to support for the University of California Los Angeles Labor Center facility.
8. Approves the May Revision proposal to eliminate the sunset date on summer financial aid.
9. Rejects the Governor's Budget proposal to provide \$1 million ongoing General Fund to align campus learning management systems with CSU and community colleges.
10. Approves the Governor's Budget and May Revise proposals for UC deferred maintenance and energy efficiency projects. These proposals provide \$175 million one-time General Fund and \$150 million in federal funds, for a total of \$325 million.
11. Approves the Governor's Budget proposal to provide \$20 million one-time General Fund to support student stipends at the California Institutes for Science and Innovation.
12. Approves the Governor's Budget proposal to provide \$15 million one-time General Fund to support emergency financial aid for students.

13. Approves the Governor's Budget proposal to provide \$7 million one-time General Fund to the UC Subject Matter Projects.
14. Modifies the Governor's Budget proposal to provide \$5 million one-time General Fund to support faculty professional development, to include language allowing funding also to be used to support equal employment opportunity practices.
15. Approves the Governor's Budget proposal to provide \$1.25 million one-time General Fund to support a public health modeling consortium at UC San Francisco.
16. Rejects the Governor's Budget proposal to create a new dual admissions transfer program.
17. Approves the May Revision proposal for \$5 million one-time General Fund to support the UCLA Asian American Studies Center,
18. Provides \$534,000 one-time General Fund to the Statewide Database program.
19. Approves placeholder trailer bill language that extends the sunset of a UC institutional aid program that provides support to some refugee and undocumented students.

Staff Recommendation: Approve the UC Budget Package

6610 CALIFORNIA STATE UNIVERSITY**ISSUE 2: CSU BUDGET PACKAGE**

The Assembly and Senate continue to discuss major CSU issues, such as enrollment growth and base funding. A final CSU package will be determined in the full budget committee. Today's proposed CSU actions include the following:

1. Approves the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student basic needs.
2. Rejects the Governor's Budget proposal to tie increased funding to the requirements that CSU increase online courses and provide an equity gap report.
3. Modifies the Governor's Budget proposal to provide \$15 million ongoing General Fund to support student mental health services and student technology needs, to only support student mental health services.
4. Rejects the Governor's Budget proposal to provide \$2 million ongoing General Fund to align campus learning management systems with UC and community colleges.
5. Approves the Governor's Budget proposal to provide \$1 million ongoing General Fund to support enrollment growth of 115 students at the CSU Stanislaus Stockton Center.
6. Approves the Governor's Budget and May Revise proposals for CSU deferred maintenance and energy efficiency projects. These proposals provide \$175 million one-time General Fund and \$150 million in federal funds, for a total of \$325 million.
7. Approves the Governor's Budget proposal to provide \$30 million one-time General Fund to support emergency financial aid for students.
8. Modifies the Governor's Budget proposal to provide \$10 million one-time General Fund to support faculty professional development, to include language allowing funding also to be used to support equal employment opportunity practices.
9. Approves the Governor's Budget proposal to provide \$10 million one-time General Fund to support the Computing Talent Initiative at CSU Monterey Bay.
10. Approves the May Revision proposal to eliminate the sunset date on summer financial aid.
11. Rejects the Governor's Budget proposal to create a new dual admissions transfer program.
12. Approves placeholder trailer bill language that requires CSU to report annually on vacant positions and salary savings accrued due to those vacant positions.

Staff Recommendation: Approve the CSU Budget Package

6870 CALIFORNIA COMMUNITY COLLEGES**ISSUE 3: COMMUNITY COLLEGES BUDGET PACKAGE**

The Assembly and Senate have reached agreement on a Community College budget package. The package is displayed in the chart and narrative below. Highlighted areas in the chart indicate differences with the Governor's proposals.

California Community Colleges (ongoing spending)	Governor	Assembly-Senate Plan	Staff Comment
COLA for apportionments	296.518	371.191	Provides 5.07% COLA to match K-12 COLA
Vocational ESL	50.000	0.000	These courses are already provided via adult education, noncredit or Strong Workforce programs
Basic needs centers and coordinators	30.000	30.000	Adopts placeholder trailer bill language describing duties of basic needs coordinators and centers
Student mental health and technology	30.000	30.000	Modify to focus funding solely on mental health
Student Equity and Achievement Program	23.761	23.761	
Enrollment Growth	23.614	23.614	
Work-based learning initiative (Earn and Learn) (one time)	20.000	0.000	These activities can be funded in the Strong Workforce program
COLA for select categorical programs	17.548	17.548	
California Apprenticeship Initiative	15.000	15.000	
Strong Workforce Program: Add funding, Change structure to 75% local, 25% regional	12.400	40.000	Adding funding and steering more funding to local colleges will allow funds to be used more quickly to support economic recovery
Online tools	10.613	10.613	
Guided Pathways technology	10.000	0.000	Unnecessary
Common course numbering (one time)	10.000	10.000	
Competency-based education pilot (one time)	10.000	10.000	
Work-Based Learning in targeted fields (one time)	10.000	0.000	These activities can be funded in the Strong Workforce program
CENIC broadband	8.000	8.000	
Dreamer resource liaisons	5.800	5.800	
Library services platform	4.000	4.000	
Faculty professional development (one time)	3.986	3.986	
Provide additional 2.31% COLA to Adult Education	0.000	12.656	
Instructional materials for dual enrollment students (one time)	2.500	2.500	
CCC jobs registry (one time)	1.000	1.000	

Adult Education Program technical assistance	1.000	1.000	
AB 1460 implementation/anti-racism initiatives (one time)	0.600	5.600	
Increase support for Umoja		3.500	
Increase support for MESA		8.190	
Increase support for Puente		7.330	
Increase support for EOPS		20.000	
Eliminate CalBright		-15.000	Calbright has not fulfilled its mission; funding can be better utilized by other colleges
Increase support for Financial Aid Administration		10.000	
Increase support for Part-Time Faculty		75.000	
Increase Full-Time Faculty Hiring		171.426	Will support at least 2,000 more faculty
Increase support for HBCU Transfer program		1.300	

California Community Colleges (one time)	Governor	Assembly-Senate Plan	Staff Comment
Deferral paydowns	1,561.131	1,561.131	
Deferred Maintenance	314.141	438.760	
Emergency student financial aid grants	250.000	250.000	
Guided Pathways	150.000	50.000	Worthwhile effort but no justification for Governor's significant funding level
Zero-textbook-cost degrees	115.000	15.000	Worthwhile effort but no justification for Governor's significant funding level
Retention and enrollment strategies	120.000	120.000	
Student basic needs	100.000	100.000	
Dual enrollment expansion incentives	75.000	0.000	Schools and community colleges already receive apportionments for this program
COVID-19 response block grant	50.000	0.000	Funding better spent on deferred maintenance
Equal employment opportunity best practices	20.000	20.000	
High Road Training Partnerships	20.000	20.000	
Faculty professional development	16.014	16.014	
CalFresh	3.100	3.100	
Eliminate CalBright		-50.000	This action should leave the college with some one-time funding to close out operations
Support LGBTQ+ Centers		10.000	
Other Priorities		25.000	Will determine in full budget committee
Rising Scholars		10.000	Will provide grants to colleges offering support program for justice-involved students
Rentry Pilot program		6.000	

1. Provides a 5.07% cost-of-living adjustment to apportionments, or \$397.2 million ongoing Proposition 98 General Fund.
2. Approves the May Revision proposal to eliminate deferrals created in the 2020 Budget Act.
3. Approves the May Revision support for 0.5% enrollment growth.
4. Approves the Governor's Budget proposal to provide \$150 million one-time Proposition 98 General Fund for emergency financial aid.
5. Approves the Governor's Budget proposal to provide \$100 million one-time Proposition 98 General Fund to support student basic needs.
6. Modifies the Governor's Budget proposal to provide \$30 million ongoing Proposition 98 General Fund to support student mental health services and student technology needs, to only support student mental health services.
7. Approves the Governor's Budget proposal to provide \$20 million one-time Proposition 98 General Fund to support faculty professional development.
8. Approves the Governor's Budget proposal to provide \$10.6 million ongoing Proposition 98 General Fund to systemwide technology projects, such as online tutoring and counseling and electronic transcripts.
9. Approves the Governor's Budget proposal to add \$15 million ongoing Proposition 98 General Fund to the California Apprenticeship Initiative.
10. Approves May Revision proposals to provide a 4.05% cost-of-living adjustment to the apprenticeship program.
11. Rejects the Governor's Budget and May Revision proposals regarding work-based learning.
12. Provides \$15 million one-time Proposition 98 General Fund for zero-textbook-cost degrees, with placeholder trailer bill language to allow funds to be used for popular courses, as well as degrees.
13. Approves all proposed Proposition 51 capital outlay projects and reappropriations in the Governor's Budget, April Finance letter, and May Revision. This includes 9 new projects and 32 continuing projects.
14. Rejects Governor's Budget and May Revision proposals to support dual enrollment costs.
15. Approves the Governor's Budget proposal for \$1 million ongoing Proposition 98 General Fund to provide technical assistance to adult education regional consortia.
16. Provides a 4.05% cost of living adjustment for the adult education program.
17. Creates a new funding method for the adult education program by splitting funding between the California Department of Education and the Community College Chancellor's Office, and adopts placeholder trailer bill language.
18. Provides \$5.6 million one-time Proposition 98 General Fund to support AB 1460 (CSU ethnic studies) and anti-racism efforts.
19. Approves the Governor's Budget proposal for \$8 million ongoing Proposition 98 General Fund to support increased CENIC broadband costs.

20. Eliminates Calbright College, and adopts placeholder trailer bill language requiring the college to create a closure plan.
21. Provides increases to the following categorical programs:
 - \$3.9 million ongoing Proposition 98 General Fund for Umoja
 - \$8 million ongoing Proposition 98 General Fund for MESA
 - \$7.3 million ongoing Proposition 98 General Fund for Puente
 - \$20 million ongoing Proposition 98 General Fund for EOPS
 - \$10 million ongoing Proposition 98 General Fund for Financial Aid Administration
22. Provides \$171.4 million ongoing Proposition 98 General Fund to increase the hiring of full-time faculty, and \$75 million to support part time faculty compensation and office hours.
23. Extends the hold harmless provision for the Student Centered Funding Formula by one year, to 2024-25.
24. Rejects the May Revision proposal to provide \$50 million ongoing Proposition 98 for vocational courses for English as a Second Language students.
25. Approves the May Revision proposal to increase support for the Student Equity and Achievement Program by \$23.8 million ongoing Proposition 98 General Fund.
26. Approves the May Revision proposal to support cost-of-living adjustments to the following categoricals: EOPS, campus child care, CalWORKS, DSPS, child nutrition and mandates block grant.
27. Approves the May Revision proposal to provide \$10 million one-time General Fund to develop a common course numbering system throughout the community college system, and if feasible, align the proposed common course numbering system with course numbering systems at the California State University and University of California.
28. Approves the May Revision proposal to increase funding for dreamer resource liaison positions by \$5.8 million ongoing Proposition 98 General Fund.
29. Approves the May Revision proposal to provide \$30 million ongoing Proposition 98 General Fund to support basic needs centers at all community colleges, and adopts placeholder trailer bill language describing the centers and basic needs coordinator duties.
30. Approves the May Revision proposal to provide \$10 million one-time Proposition 98 General Fund to establish a workgroup for a competency based education pilot program.
31. Approves the May Revision proposal to provide \$1 million one-time Proposition 98 General Fund to modernize the CCC Registry to better enable centralized recruitment and resources. The CCC Registry is an online database of job opportunities for the California Community Colleges.
32. Rejects the May Revision proposal to provide \$10 million one-time Proposition 98 General Fund to support Guided Pathways mapping through acquisition and implementation of software for community colleges that visualizes and clearly maps out curricular pathways for community college students.

33. Approves the May Revision proposal for \$4 million ongoing Proposition 98 General Fund to expand the implementation of the systemwide technology platform for library services.
34. Approves the May Revision proposal to provide \$250 million federal funds for deferred maintenance, and also provides \$437 million one-time Proposition 98 General Fund for deferred maintenance.
35. Modifies the May Revision proposal to provide \$150 million one-time Proposition 98 General Fund to support Guided Pathways implementation by providing \$50 million one-time Proposition 98 General Fund.
36. Rejects the May Revision proposal to create a \$50 million one-time Proposition 98 General Fund COVID 19 Block Grant.
37. Approves the Governor's Budget proposal to provide \$100 million one-time Proposition 98 General Fund to support student recruitment and retention strategies.
38. Approves the May Revision proposal to provide \$20 million one-time Proposition 98 General Fund to support equal employment opportunity practices.
39. Approves the May Revision proposal to provide \$20 million one-time Proposition to support the participation of community colleges in High Road Training Partnerships and regional partnerships funded by the California Workforce Development Board.
40. Approves trailer bill language to allow colleges to waive fees owed by students, rather than collecting owed fees from students and then reimbursing the students, specifically for the colleges electing to use federal funds to waive student fees.
41. Modifies the May Revision proposal to remove the sunset date for the CollegeBuys Program, allowing the continued procurement of goods and services in bulk for the community college system, instead extending the sunset date by one year.
42. Rejects proposed trailer bill language that would change practices with regard to establishing the tuition level for nonresident community college students.

6980 CALIFORNIA STUDENT AID COMMISSION

ISSUE 4: CSAC BUDGET PACKAGE

The Assembly and Senate continue to discuss major financial aid issues, such as Cal Grant expansion. A final CSAC package will be determined in the full budget committee. Today's proposed CSAC actions include the following:

1. Approves the Governor's Budget proposal to provide \$20 million ongoing General Fund to provide all foster youth in the Cal Grant program with a \$6,000 access award.
2. Modifies the May Revision proposal to provide \$500 million one-time General Fund to support the Golden State teacher program; this amount is reduced to \$200 million.
3. Modifies the Governor's Budget proposal to require all California high schools to ensure that students fill out financial aid applications. Placeholder trailer bill language would delay implementation by one year; require CSAC to develop regulations, standardized opt-out form, and acceptable use forms; require schools to use standardized opt-out form; allow legal services organizations and postsecondary immigration resource centers to aid schools; allow a student to opt out for any reason; and ensure students are not penalized for not completing a financial aid form.
4. Rejects the May Revise proposal to provide \$1 billion one-time federal funds to create the Education and Training Grants program.
5. Provides \$50 million federal funds to support grants to local college savings programs.
6. Rejects proposed trailer bill language that would authorize CSAC to receive bequests, donations and grants through an affiliated foundation.

Staff Recommendation: Approve the CSAC Budget Package

0950 CALIFORNIA STATE TREASURER – SCHOLARSHARE BOARD

ISSUE 5: COLLEGE SAVINGS ACCOUNTS

The Assembly-Senate plan modifies the May Revision proposal to create a new college savings program by providing \$1.05 billion federal funds and \$170 million ongoing General Fund to supplement the existing California Kids Investment and Development Savings (CalKIDS) Program. CalKIDS is designed based on nationwide best practices and provides a new college savings account for every newborn child in California, with potential extra funding for low-income children or families who also contribute savings for college.

As described in the California Student Aid Commission section, this plan also provides \$50 million for grants to regional child savings accounts programs.

Staff Recommendation: Approve the College Savings Accounts proposal

0985 SCHOOL FINANCE AUTHORITY

ISSUE 6: STUDENT HOUSING

The May Revision proposes \$2 billion one-time in 2021-22 and in 2022-23 for the California School Finance Authority (CSFA) to provide grants to public higher education segments for the purpose of constructing and rehabilitating commercial properties for student housing. BBL specifies that funds are available for encumbrance or expenditure until June 30, 2026.

Trailer bill language describing the details of this proposal has not been released by the Department of Finance. The Assembly and Senate are in discussions regarding student housing.

Staff Recommendation: Reject the May Revision proposal
