### SUBCOMMITTEE NO. 1

### Agenda

Senator Marty Block, Chair Senator Benjamin Allen Senator John M. W. Moorlach



#### Wednesday, May 18, 2016 1:30 p.m. or Upon Call of the Chair State Capitol - Room 3191

Consultant: Anita Lee

#### AGENDA PART B OUTCOMES

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**Public Comment** 

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	Issue 1: 6980 - California Student Aid Commssion								
Item	Subject	Description	Staff Recommendation	Language	Vote				
1		The APLE program allows the state to issue agreements for loan assumptions annually to students and district interns who are pursuing careers in teaching and credentialed teachers. Award recipients must teach in a subject shortage area at any school or teach any subject at a school associated with shortages (including schools with a large low-income population, at least 20 percent of teachers holding emergency permits, ranked in the bottom 20 percent of the Academic Performance Index, or loated in a rural area). The base award provides up to \$11,000 over four years. In addition, award recipients teaching in certain subject areas (such as math, science or special education) in certain schools could quality for additional awards up to a total \$19,000 over four years. Beginning in 2012-13, no new APLE warrants have been issued; only renewals continue to be funded.	program to provide 170 APLE new warrants annually. No costs are expected in 2016-17 because awardees must complete one full year of teaching prior to receiving a loan repayment. At full implementation in 2020-2021, costs are expected to be \$2,262,000.		3-0				
2	Education	The May Revision proposes a decrease of \$2,262,000 to reflect revised cost estimates for the Assumption Program of Loans for Education. For 2015-16, the May Revision also assumes incremental savings of \$2,129,000 to reflect revised cost estimates for the program.	Approve as proposed.	BBL	3-0				

Item	Subject	Description	Staff Recommendation	Language	Vote
1	Clean Energy Job	The May Revision proposes an increase of \$4.12 million to reflect an	Approve as proposed	BBL	3-0
	<b>Creation Fund Revenue</b>	increase in estimated Clean Energy Job Creation Fund revenue.			
	Estimate				
	6870-139-8080 (May Revision)				
		The May Revision proposes to increase funding for the Academic	Approve as proposed	BBL	3-0
	·	Senate of California Community Colleges by \$300,000 to more			
	Augmentation	expeditiously develop, promote, and act upon policies in support of			
		recent statewide community college programmatic efforts and			
	6870-101-0001	initiatives.			
	(May Revise)				

Item	Subject	Description	Staff Recommendation	Language	Vote
3	May Revise Technical Adjustments	*	Approve as proposed		3-0
		2015 be increased and conforming adjustments be made to reflect a \$115,766,000 decrease in estimated 2015-16 EPA revenues.  The May Revision proposes Item 6870-101-0001, Budget Act of 2015 be decreased by \$578,000 to reflect differences between the estimated and actual impact of excess revenue districts receiving EPA funding that does not offset apportionment funding.			
4	Offsetting Student Fee Revenues 6870-101-0001 (May Revise)	The May Revision proposes that (1) of Item 6870-101-0001 be decreased by \$9,837,000 to reflect a decrease in apportionment funding associated with an increase in estimated offsetting student fee revenue.		BBL	3-0
5	Increase Student Financial Aid 6870-101-0001	The May Revision proposes an increase of \$2,333,000 to reflect an increase of \$1,173,000 for the Student Financial Aid Administration Program and an increase of \$1,160,000 for the Board Financial Assistance Program. These adjustments reflect revised estimates of the number of units with fees waived and the dollar amount of fees waived.	Approve as proposed	BBL	3-0

Item	Subject	Description	Staff Recommendation	Language	Vote
6	Increase	The May Revision proposes to increase Item 6870-101-0001 by	Approve as proposed	BBL	3-0
	Apportionments	\$41.5 million to reflect the City College of San Francisco's estimated			
	Estimate to Reflect the	declining enrollment protection. The purpose of this adjustment is to			
	City College of	ensure that, if the community college system meets enrollment			
	San Francisco's	targets, there will be sufficient appropriation to fund all enrollment			
	_	growth to which districts are entitled plus the extended stability			
	Declining Enrollment	funding that CCSF will receive.			
	Protection				
	6870-101-0001				
7	Technical Provisional	The May Revision proposes provisional budget bill language	Approve as proposed	BBL	3-0
	Language	adjustments to include references to the Student Success Basic Skills,			
		Zero-Text-Book degrees the Strong Workforce proposal.			
	6870-101-0001				
	(May Revision)				
8	Technical Base	The May Revision proposes to increase Item 6870-101-0001 by	Approve as proposed	BBL	3-0
	Apportionment	\$5.34 million to reflect various technical base apportionment			
	Adjustment	adjustments associated with updates in enrollment.			
	6870-101-0001				
	(May Revision)				

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	Adjustment (May Revision)	adjustments from 0.47 percent to 0 percent, resulting in the following decreases: (1) \$29.29 million apportionments, (2) \$61,000 and \$75,000 for the hourly non-credit funding rate for community college and K-12 apprenticeship programs, (3) \$579,000 decrease for the Extended Opportunity Programs and Services Program, (4) \$542,000 for the Disabled Student Programs and Services Program, (5) \$164,000 for the Student Services for CalWORKs Recipients		
		Program, (6) \$16,000 for the Campus Childcare Tax Bailout Program.		
10	Institutional Effectiveness Partnership Initiative	professional development activities by \$8 million, and augments technical assistance funding by \$2 million.	 BBL	3-0

Item

Subject

**Cost-of- Living** 

Item	Subject	Description	Staff Recommendation	Language	Vote
Item 11	Subject Full-Time Student Success Grant Funding 6870-102-0001 (May Revision)	The May Revision proposes an increase of \$2.174 million to reflect the inclusion of Cal Grant C recipients, and an increased estimate of eligible Cal Grant B students in fiscal year 2016-17. The maximum grant is \$300 per semester, or prorated amount for colleges using a quarter system, to community college districts to distribute an equal amount of funding to each eligible student as funding allows. If eligible students exceed funding available in this item, awards shall be proportionally reduced to fit within available funds.  The 2015-16 budget act provided \$39 million for the Full-Time Student Success Grant. This grant provides additional support to full-time Cal Grant B recipients. This proposal seeks to expand the eligibility pool to include Cal Grant C recipients.	Approve as proposed	Language BBL	<b>Vote</b> 3-0
12	Equal Opportunity Program 6870-101-3273 (May Revision)	The May Revision includes a proposal to provide \$2.3 million one-time from the Employment Opportunity Fund to promote equal employment opportunities in hiring and promotion at community college districts. This fund contains penalties paid by districts who do not meet their full-time faculty obligation numbers. The proposal requires funds to be spent pursuant to Education Code 87108, which includes accommodations for applicants and employees with disabilities, and outreach and recruitment.	Approve as proposed	BBL	3-0

Item	Subject	Description	Staff Recommendation	Language	Vote
13	Increase Mandate Debt Repayment	The May Revision proposes to increase mandate debt payments by \$29 million to reflect proposed 2014-15 and 2015-16 Proposition 98 General Fund appropriations of \$26 million and \$3 million,	Approve as proposed	BBL	3-0
	(May Revision)	respectively, to pay for outstanding mandate debt on a per full-time equivalent student basis. This flexible one-time funding will reduce mandate debt while also providing districts with discretion to pay for other one-time expenses such as professional development, campus security infrastructure, technology infrastructure, and developing open education resources and zero-textbook cost degrees.			
14	Mandate Block Grant (May Revision) 6870-296-0001	It is requested that Item 6870-296-0001 be decreased by \$134,000 to align block grant funding with the revised estimate of full-time equivalent students.	Approve as proposed.	BBL	3-0
15	CCC May Revise Technical Adjustments for the Current and Prior Year  (May Revision)	The May Revision proposes trailer bill language to appropriate \$38.57 million in 2015-16 Proposition 98 General Fund to backfill a projected shortfall in estimated offsetting local community college district revenue. To the extent the appropriation exceeds the final shortfall, the language proposes that the funding would be used to make additional mandate debt payments.	Approve and adopt placeholder trailer bill language	BBL and TBL	3-0

Item	Subject	Description	Staff Recommendation	Language	Vote
16	Compton Community College District Loan (May Revision)	The May Revision proposes trailer bill language to adjust the interest rate to 2.307 percent on any outstanding General Fund emergency apportionments made to Compton Community College District, which is reflective of the rate recently provided to other K-12 agencies. The administration requests General Fund interest revenue be reduced by approximately \$134,000 in 2016-17 and principal repayment amounts be increased by approximately \$51,000 in 2016-17 to revise the interest rate on three Compton Community College District emergency apportionments. The current outstanding loan balance is \$17.8 million.	Approve placeholder trailer bill language	TBL	3-0
17	Full-Time Faculty Clarification	Staff recommends trailer bill language to clarify that the \$62.3 million allocated in the 2015-16 budget for increasing the number full-time faculty at the community colleges were to be allocated to all districts, including basic aid districts.	Adopt placeholder TBL to be refined as necessary.	TBL	3-0
18	System wide Data Security (January Proposal)	The Governor proposes \$3 million Proposition 98 General Fund to support a range of technical services for community colleges and statewide projects through the system's TTIP program.  The Chancellor's Office reports that the proposal would enable the system to create a comprehensive suite of security services for community colleges and statewide technology projects. Services would include providing support for colleges in the event of a data breach, offering more in–depth vulnerability scans and risk analyses, promoting the CCC information security standards and creating incentives for institutions to meet these standards, and enhancing security monitoring. The funding also would support creation of a CCC system wide data sharing committee to ensure the security of personally identifiable information.	Approve as proposed	BBL	3-0

Item	Subject	Description	Staff Recommendation	Language	Vote
19	Enrollment Growth	The Governor's budget proposes an additional \$115 million	Approve as proposed	BBL	3-0
		Proposition 98 General Fund for to reflect a two percent CCC			
		enrollment growth (an additional 23,000 FTE students or 50,000			
		students by headcount).			
20	Awards for Innovation	The Governor proposes \$25 million one-time Proposition 98 General	Reject	BBL and	2-1
		Fund for the Awards for Innovation in Higher Education Program.		TBL	(Moorlach
					Voting
		The Governor proposes to provide six innovation awards of at least			No)
		\$4 million each in 2016–17. This proposal differs from the 2014–15			
		and 2015–16 proposals in four ways: (1) only CCC districts would be			
		able to apply for awards, which would be funded by Proposition 98			
		General Fund; (2) awards would be based on proposed activities			
		instead of initiatives applicants already have implemented; (3) awards			
		would need to focus specifically on effective articulation and transfer			
		pathways, successful transitions from higher education into the			
		workforce, and innovations in technology and data; and (4) the			
		Governor would have more discretion in selecting his appointees to			
		the awards committee. Members no longer would have to represent			
		any of the higher education segments or the State Board of			
		Education.			

Item	Subject	Description	Staff Recommendation	Language	Vote
21	Inmate Education	The Senate Budget Subcommittee No 5. approved the expansion of SB 1391 (Hancock) to include five additional prisons and two permanent positions in the Community Colleges Chancellors Office to coordinate community college programs within the state prison system. Specifically, the California Department of Corrections and Rehabilitation shall provide \$2 million in one-time General Fund over two years for five additional community college pilot programs, and \$1 million in on-going General Fund to create a permanent infrastructure at the Chancellor's Office for staff and administrative expenses related to inmate education. Staff recommends to take conforming action.	Approve BBL to be refined as necessary.	BBL	3-0
22	One-time Physical Plant and Instructional Equipment 6870-101-0001 (May Revision)	The May Revision proposes to decrease Schedule (23) by \$65.9 million to reflect alternative spending priorities and that provisional language be revised to reflect the 2016-17 project cost threshold for scheduled maintenance and repair projects.  The May Revision also proposes to provide \$23.8 million in Proposition 98 Settle-up fund for these purposes in trailer bill language.	Approve 2016-17 reduction in Schedule 23, and adopt modified trailer bill language to provide \$17.4 million in Proposition 98 Settle-up funds for instruction equipment.	BBL and TBL	3-0
23	Adult Education Fund  Education Code Sections 52616 and 89414.1	Staff recommends to amend and move language from Education Code Section 52616 to Section 84914.1 to clarify that funds received from the Adult Education Block Grant shall be deposited in an "adult education fund" and spent for the purposes of adult education.  These language changes are technical and clarifying for support of the Adult Education Block Grant program enacted in the 2015-16 Budget Act.	Approve trailer bill language to be refined as necessary.	TBL	3-0

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote	
1	Online Education Initiative  (May Revision)	The May Revision proposes trailer bill language to appropriate \$20 million in one-time Proposition 98 General Fund to expedite and enhance the adaptation and development of courses that are available through the online course exchange component of the Online Education Initiative (OEI).  The online course exchange, a component of the OEI, is in the development phase for an initial pilot launch in fall 2016 at eight colleges and for 20 courses. Through the course exchange, students who cannot get the courses they need at their home college, will be able to enroll online at another college that has available seats in the equivalent course via a streamlined registration process at their home college.	Approve	TBL	The state initially funded this effort with \$17 million in 2013-14, and has provided \$10 million annually thereafter. The proposal does not provide clear goals and expectations on how additional funds will be spent.		
2	Technology Infrastructure 6870-101-0001 (May Revision)	The May Revision requests \$5 million ongoing, and \$7 million in 2015 16 Proposition 98 General Fund to support efforts within the Telecommunications and Technology Infrastructure Program to expand broadband capacity across community college campuses to ensure appropriate internet access is available for students, faculty, and community college administrators. The Administration notes that the improvements are needed to meet demand for connectivity and to prepare for statewide rollout of the common assessment, education planning, online education, and other statewide technology initiatives.	with placeholder trailer bill languge to be refined as necessary.	BBL and TBL		3-0	

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
3	Inmate Digital Instructional Materials	The May Revision proposes to provide \$3 million ongoing to provide digital course content to inmates under the jurisdiction of the California Department of Corrections and Rehabilitation that are	Approve as proposed.	BBL		3-0
	6870-101-0001 (May Revision)	enrolled in a California community college course or courses.  Currently, CDCR has 7,000 eReader tablets that student-inmates enrolled in community college use to read college textbook content. The content is downloaded onto the eReader tablet. Although the tablets are owned by CDCR, the electronic content is only available for a limited period until it eventually expires (the current content expires in September of 2016). The Administration believes there is a need for funding to support the ongoing purchase of college content to be used on the eReader tablets. Expanding eReader content for offenders encourages learning gains beyond the 9th grade level and supports greater possibility for employment after release.				
4	Basic Skills Proposal	funding for the initiative to \$50 million Proposition 98 General Fund.  The Governor also proposes trailer bill language that repeals the existing BSI and creates a new program which implements performance-based funding.  The May Revision revised the proposal to include the LAO to the list	Amend BBL and adopt placeholder TBL to (1) remove allocation formula, (2) direct the Chancellors Office to convene a workgroup with relevant stakeholders to determine the allocation of funds, and (3) redirect the additional \$30 million in 2016-17 to fill eligible Transformation Grants applicants that did not receive funding.	BBL and TBL	The 2015-16 budget established the Community College Basic Skills and Student Outcomes Transformation Program, and provided \$60 million in one-time Proposition 98 General Fund for the program. However, because of limited funding, 22 colleges that were eligible for funding did not receive an award.	3-0

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
5	Zero-textbook-cost degrees (January proposal and May Revision)	The Governor proposed \$5 million in one-time Proposition 98 General	Approve placeholder trailer bill language.	BBL and TBL	Comments	2-1

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
6	Strong Workforce Program  6870-101-0001  (January proposal and May Revision)	The May Revision proposes changes to the Strong Workforce Program trailer bill language to: (1) require the Chancellor's Office to provide the Legislature and Administration with a plan to expedite and improve the course approval process to adopt courses in one academic year or one semester, (2) authorize the Chancellor's Office to distribute a 60 percent of funds directly to community colleges, (3) require that no more than 60 percent of funds provided directly to districts could be used for ongoing costs, (4) require the Chancellor's Office, DOF, and	funds provided to districts could be used for	TBL	CTE Pathways, created in 2012, is grant program helps regions develop sustainable CTE pathways among schools, community colleges, and regional business and labor organizations. The program was set to expire at the end of 2014–15, but the 2015–16 budget provided an additional \$48 million and extended the program for one more year. If the Chancellor's Office, DOF and LAO are investigating the possible consolidation of CTE programs, it may be prudent to extend the program by only one year.	2-1
7	Restore Various Categorical Programs	Staff recommends to increase funding to (1) the Student Services for CalWORKs Recipients by \$8.68 million Proposition 98 General Fund, (2) part-time faculty office hours categorical by \$3.66 million Proposition 98 General Fund, and (3) the Fund for Student Success, which includes the Puente Project and Mathematics Engineering, Science Achievement Program by \$2.37 million Proposition 98 General Fund. These increases bring funding back to pre-recession levels	Adopt BBL to restore funding to the Student Services for CalWORKS Recipients, Part-Time Faculty Office Hours, and the Fund for Student Success.	BBL	The Student Services for CalWORKS Recipients categorical provides counseling, tutoring and other support for CalWORKS students. The MESA programs support financially and educationally disadvantaged students seeking majors in math and science based fields, and the Puente works to improve the transfer rate for underserved students	2-1

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
8	Early Care and Education Pilot Program	Staff recommends to provide \$1.4 million one-time Proposition 98 General Fund over three years to the Los Angeles Trade-Tech Community College to provide job training, mentoring and college	Adopt placeholder TBL to provide \$1.4 million one-time Proposition 98 General Fund to LA Trade-Tech college to provide job training,	TBL		2-1
9	Increase Base Apportionment Funding to Reflect Increased Operation Expenses 6870-101-0001 (May Revision)	The May Revision proposes to increase base apportionment by \$75 million to reflect additional base apportionment funding in recognition of increased operating expenses in the areas of facilities, retirement benefits, professional development, full-time faculty, and other general expenses.	Adopt modified BBL to increase base apportionment by \$10.29 million, for a total of \$85.29 million.	BBL		2-1
10	Adult Education (May Revision)	The Governor proposes to provide \$5 million to be expended over a three year period (2016-17 through 2018-19) for the CCC and CDE to contract with a community colleges district, school district, county office of education, or adult education consortia to provide statewide leadership for consortia members participating in the Adult Education Block Grant.  The May Revision includes trailer bill language amending Education Code Section 84905 to require that the fiscal agent for each adult education consortium develop a process to apportion funds within 45 days of receiving funds from the state that does not require consortium members to be funded on a reimbursement basis.	Approve as proposed with trailer bill language to be refined as necessary.	TBL	Staff notes that state leadership activities will provide continued support for adult education consortia as they expand and refine program offerings in their regions. In addition, the proposed fiscal agent trailer bill language will ensure that funds are received in timely manner.	3-0

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
11	Adult Education (Education Code Sections 84917 and 84920)	Staff recommends adding trailer bill language to amend the date adult education outcomes reporting is required pursuant to ECS 84917 from Sept 30 to a two-part report on October 30th and January 1st of each year.  The Senate also proposes to add trailer bill language to require additional reporting from the Chancellor of the Community Colleges and the Superintendent of Public Instruction no later than August 1, 2017 on options for integrating the adult education assessments into the common assessment system developed by the community colleges pursuant to section 78219. The report shall address compliance with requirements for federal and state funding of adult education programs, identify estimated project costs and time lines, and identify changes in policies that may be necessary to avoid duplicate testing requirements.  The Senate also proposes to add supplemental reporting language as follows: "No later than January 1, 2017, the chancellor and the Superintendent shall submit to the Director of Finance, the state board, and the appropriate policy and fiscal committees in the Legislature a report on their progress in meeting the requirements of the Education Code, section 84920, subdivisions (b) and (e). The report shall describe the agreements, policies, procedures, and data systems planned, developed, or implemented to comply with these requirements."		TBL/ SRL	Staff notes that the extension in the reporting timelines better aligns with workload of collecting, verifying and analyzing the required data.  The additional proposed reporting requirements would inform the Legislature and the Administration on the continued implementation of the Adult Education Block Grant in time for the next cycle of budget discussions.	

Item	Subject	Description	Staff Recommendation	Language	Comments	Vote
12	Outreach Funding for	Staff recommends to provide \$5 million one-time for outreach	Approve placeholder	TBL		2-1
	the Board of	to promote the Board of Governors Fee Waiver as well as the	trailer bill language to			
	Governor's Fee	Baccalaureate Degree Pilot Program.	provide \$5 million one-			
	Waiver Program and		time for outreach on			
	the Baccalaureate	On September 28, 2014, California Governor Jerry Brown	BOG Fee Waiver and			
	Degree Program	signed SB 850 (Block) authorizing the Board of Governors of	Baccalaureate Degree			
		California's Community Colleges (BOG), in consultation with	Pilot Program			
		representatives of the California State University (CSU) and				
		University of California (UC), to establish a statewide				
		baccalaureate degree pilot program at no more than 15				
		California Colleges.				
		The California Community Colleges Board of Governors (BOG) Fee Waiver program waives tuition fees for financially- needy students. For the past 30 years, the BOG Fee Waiver has kept pace with tuition, making a community college education tuition free for all financially-eligible Californians. Between 1984 and 2015, the waiver has been provided to over 5.1 million students.				