

SUBCOMMITTEE NO. 1

Agenda

Senator Sasha Renée Pérez, Chair
Senator Bob Archuleta
Senator Rosilicie Ochoa Bogh



Thursday, May 21, 2026
9:30 a.m.
1021 O Street, Room 2100

Consultants: Diego Emilio J. Lopez

ITEMS FOR DISCUSSION..... 2

1111 Bureau for Private PostSecondary Education 2

6440 University of California (UC)..... 2

6600 College of the Law, San Francisco..... 2

6610 California State University (CSU)..... 2

6870 Board of Governors of the California Community Colleges..... 2

6980 California Student Aid Commission (CSAC)..... 2

ISSUE 1: May Revision Proposals..... 2

Public Comment

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ITEMS FOR DISCUSSION

1111 BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
6440 UNIVERSITY OF CALIFORNIA (UC)
6600 COLLEGE OF THE LAW, SAN FRANCISCO
6610 CALIFORNIA STATE UNIVERSITY (CSU)
6870 BOARD OF GOVERNORS OF THE CALIFORNIA COMMUNITY COLLEGES
6980 CALIFORNIA STUDENT AID COMMISSION (CSAC)

Issue 1: May Revision Proposals.

May Revision. The May Revision includes the following adjustments:

Bureau of Private Postsecondary Education

Bureau of Private Postsecondary Education: Legal Costs. The May Revision includes \$10 million one-time General Fund in 2026-27 to fully repay a loan from the High Polluter Repair or Removal Account to the Bureau's Private Postsecondary Education Administration Fund. The loan, executed in December 2025, was intended to cover legal expenses and settlement costs incurred by the Bureau resulting from a recent judgment.

University of California

Foster Youth Support Service. The May Revision includes an increase of \$1.5 million one-time General Fund to support First Star Academy Youth Cohorts at UC campuses.

California Community Colleges.

Student Centered Funding Formula (SCFF) Cost-of-Living-Adjustment (COLA). The May Revision includes \$197.7 million Proposition 98 General Fund ongoing to reflect an increase in the COLA from 2.41 percent to 4.31 percent. The total SCFF COLA in 2026-27 is \$438.3 million.

Paid Pregnancy Leave. The May Revision requires all California Community Colleges, as well as TK-12 public schools, to provide all employees with up to 14 weeks of paid pregnancy disability leave beginning in 2026-27. Costs of this benefit are intended to be absorbable within the 1.4 percent discretionary SCFF COLA.

Local Property Tax Adjustments. The May Revision includes \$122.8 million Proposition 98 General Fund ongoing as a result of decreased offsetting local property tax revenues.

Adult Learner Demonstration Project. The May Revision includes \$9.7 million Proposition 98 General Fund one-time, available over three years, to support the Adult Learner Demonstration Project.

Categorical Programs COLA. The May Revision includes \$6.1 million Proposition 98 General Fund ongoing for select categorical programs and the Adult Education Program, to reflect a change in the COLA from 2.41 percent to 2.87 percent.

SCFF Growth Adjustment. The May Revision includes \$2 million Proposition 98 General Fund ongoing to maintain the Governor's budget proposal to fund 0.5 percent enrollment growth. The May Revision also maintains the addition of one percent ongoing growth beginning in 2025-26.

Student Support Block Grant. The May Revision includes an increase of \$607,000 Proposition 98 General Fund one-time for a flexible block grant for the community colleges. This increases the total amount proposed for 2026-27 to \$100.6 million.

California Student Aid Commission

Cal Grant Program Caseload Adjustments. The May Revision includes estimated Cal Grant expenditures of approximately \$2.5 billion in 2024-25, \$2.9 billion in 2025-26, and \$3.2 billion in 2026-27 based on the latest estimates of enrollment of Cal Grant-eligible students. These estimates reflect an increase of \$4.8 million one-time General Fund in 2025-26 and \$31.5 million ongoing General Fund in 2026-27.

Middle Class Scholarship Program. The May Revision includes a one-time decrease of \$90.5 million General Fund to reflect the revised estimate for Middle Class Scholarship Program awards issued in the 2025-26 academic year as costs are paid in arrears in accordance with the 2025 Budget Act.

Golden State Teacher Grant Program (GSTG). The May Revision withdraws the Governor's budget proposal to reappropriate \$14.4 million General Fund to support the GSTG. Revised program estimates reflect the full expenditure of these funds in 2025-26.

Workforce Pell Implementation & Trailer Bill Language. The May Revision includes \$664,000 General Fund one-time to support Commission implementation activities to enable California to participate in the new federal Workforce Pell Grant program as authorized under the House of Representatives (H.R.) 1 of 2025. It also includes trailer bill language to implement federal Workforce Pell requirements.

College of the Law, San Francisco

Campus Safety and Security Resources. The May Revision includes \$1 million General Fund ongoing to support campus public safety and security programs.

Trailer Bill Language

The May Revision includes various trailer bill language proposals related to reporting requirements as follows:

UC, CSU, CCC	Student Housing Data Collection	Amends Education Code Section 66014.6 to require that this annual report be released together with the annual report on state-funded student housing projects (next item).
UC, CSU, CCC	State-Funded Student Housing Projects	Amends Education Code Section 17201 to require that this annual report be released together with the student housing data collection report (above item).
UC, CSU	Basic Needs, Mental Health, and Rapid Rehousing	Makes three changes: (1) moves from budget bill language (BBL) to trailer bill language (TBL), (2) changes frequency of reports from annual to biennial, and (3) consolidates the existing reports.
UC, CSU	Campus Capacity, Instructional and Faculty Office Space	Changes frequency of reports from annual to biennial.
CSU	Acquisition of Real Property Using Parking and Housing Revenues	Changes frequency of reports from annual to biennial.
CSU	Sale or Exchange of Real Property Report	

The Senate Plan

Middle Class Scholarship. The Senate Plan maintains current level of the Middle Class Scholarship program for the 2026-27 school year. The \$600 million cost of maintaining the award level for 2026-27 is paid in arrears in the 2027-28 budget year. This maintains the 35 percent award level for the program, as opposed to the Governor’s proposed 17.5 percent award level funding.

Staff Recommendation. Hold Open.