

# SUBCOMMITTEE NO. 1

# Agenda

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Senator Richard D. Roth, Chair  
Senator Connie M. Leyva  
Senator Mike Morrell



Wednesday, May 15, 2019  
10:00 a.m. or upon call of the chair  
State Capitol - Room 3191  
Consultant: Anita Lee

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## **Public Comment**

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## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
1	State Operations	<p>The Governor proposes \$435,000 General Fund one-time for the Chancellor's Office to support an external contract to staff the Student Centered Funding Formula Oversight Committee. This funding shall be available for encumbrance or expenditure until June 30, 2021.</p> <p>The Administration proposes an increase of \$135,000 ongoing General Fund and one new position for an Information Security Officer at the Chancellor's Office, to provide increased security capacity.</p> <p>The May Revision proposes an increase of \$381,000 General Fund to support three positions (two accounting positions, and one technical assistant position to monitor districts' fiscal health).</p>	<p>The oversight committee operations was heard on April 11th. The 2018-19 budget did not provide the Chancellor's Office with funds to support the external contract. The information technology security officer and office of facilities planning unit was heard on May 9th.</p>	BBL	<p>Approve as proposed. Additionally, adopt budget bill language to direct the Department of Finance to conduct a mission based budget study of the Chancellor's Office staffing and workload requirements. The Administration must report on the findings and outcomes of the study to the relevant policy and fiscal committees of the Legislature by February 1, 2020. Additionally, the Chancellor's Office must report on how it has spent recent budget augmentations (2017-18 and 2018-19) and how it has reorganized its operations to better support community colleges.</p>
2	Immigrant Legal Services	<p>The Governor's January budget proposes \$10 million Proposition 98 General Fund ongoing starting in 2019-20 to provide immigrant legal services through approved providers at the Department of Social Services (DSS).</p>	<p>This item was heard on May 9th. The 2018-19 budget provided \$10 million one-time Proposition 98 General Fund for this purpose, however DSS and CCC has not spent this funding.</p>	BBL	<p>Given that 2018-19 funding has not been spent, the subcommittee recommends to reject without prejudice.</p>
3	Cost-of-Living Adjustments	<p>The Governor's budget includes \$248 million Proposition 98 General Fund to cover a 3.46 percent COLA for apportionments. The May Revision includes an updated COLA estimate of 3.26 percent. This reduces the apportionment by \$18.28 million, for a total COLA of \$229.72 million.</p> <p>The May Revision also adjusts the COLAs for specific categorical programs: (1) Disabled Student Programs and Services: decrease of \$241,000, (2) Student Services for CalWORKS Recipients program: a decrease of \$91,000, (3) Extended Opportunity Programs and Services: a decrease of \$257,000, (4) Campus Childcare Tax Bailout program: a decrease of \$7,000, (5) adult education program: a decrease of \$1.04 million, (6) apprenticeship program: a decrease of \$200,000.</p>	<p>However, other categoricals such as the Fund for Student Success, and part-time faculty office hours.</p>	BBL	<p>Approve the Governor's proposal and also adopt cost-of-living adjustments for the Fund for Student Success (\$293,400) and part-time faculty office hours (\$391,200).</p>

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
4	Mandate Block Grant	The May Revision proposes a decrease of \$349,000 to reflect a decrease of \$283,000 to align block grant funding with the revised estimate of applicable full-time equivalent students and a decrease of \$66,000 for a 3.26-percent COLA for the Mandate Block Grant program.		BBL	Approve as proposed.
5	Financial Aid Administration	The May Revision proposes a decrease of \$490,000 for the Student Financial Aid Administration Program and a decrease of \$495,000 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.		BBL	Approve as proposed.
6	Technical Adjustment for Realignment of Various Programs	The May Revision proposes to move the Next Up program and the Veterans Resource Center program from item 6870-101-0001 schedule 9 to schedule 19. Additionally, BBL proposes to rename schedule 9 from the "Student Success and Support Program" to "Institutional Effectiveness."		BBL	Approve the proposal to move the Next Up program to Schedule 19. Adopt a separate line item for the Veterans Resource Center program.
7	Enrollment Growth	The January budget provided \$26 million to cover 0.55 percent enrollment growth (equating to about 6,000 additional FTE students). The May Revision decreases this amount by \$1.25 million to reflected revised estimates to maintain a 0.55 percent enrollment growth.		BBL	Approve as proposed.
8	Student Success and Completion Grant Program	The budget provides \$11 million Proposition 98 General Fund to the Student Success and Completion Grant Program to reflect updated case load estimates. The May Revision proposes an increase of \$7.49 million above the Governor's budget to reflect updated estimates.		BBL	Approve as proposed.

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
9	Strong Workforce Program	<p>The Governor’s budget continues to fund the Strong Workforce Program with \$248 million Proposition 98 General Fund. However, approximately \$77 million Proposition 98 is from one-time funds. The May Revision instead proposes to provide \$245.64 million Proposition 98 General Fund ongoing and \$2.36 million Proposition 98 General Fund one-time to support the SWP.</p>		BBL	<p>Modify the Governor's proposal to provide \$248 million ongoing Proposition 98 General Fund for the Strong Workforce Program.</p>
10	Technical Adjustments	<p>The May Revision proposes a decrease of \$237.3 million to reflect an increase of net offsetting EPA revenue.</p> <p>The May Revision proposes an increase of \$76.67 million to reflect a decrease in estimated net offsetting property tax revenue.</p> <p>The May Revision proposes a decrease of \$15.67 million to reflect an associated increase in estimated offsetting fee revenue.</p>		BBL	<p>Approve as proposed.</p>
11	Current Year Technical Adjustments	<p>The May Revision proposes trailer bill for the following:</p> <p>(1) Increase Schedule (1) of Item 6870-101-0001, Budget Act of 2018 by \$63.22 million to reflect an associated decrease in revised offsetting local revenue estimates.</p> <p>(2) Decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2018 by \$8.49 million to reflect an associated increase in net offsetting EPA revenue.</p> <p>(3) Allow flexibility for the use of 2018-19 funds for local district financial oversight and evaluation as it relates to the provision of technical assistance, training, and short-term institutional research necessary to address existing or potential accreditation deficiencies through the Fiscal Crisis and management Assistance Team (FCMAT).</p> <p>(4) 2017-18 and 2018-19 Informational Offsetting Revenue Update—It is requested that non-Budget Act items be adjusted to reflect 2017-18 and 2018-19 informational offsetting local revenue and student fee revenue.</p>		TBL	<p>Approve as proposed.</p>

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
12	Community College Promise Program	<p>The January budget proposes an increase \$39.96 million Proposition 98 General Fund ongoing to expand the CCC Promise Program. The Governor proposes to augment funding for the program based on the estimated cost of waiving enrollment fees for first time, full time CCC students in their first two years of college who do not have financial need under the BOG fee waiver program.</p> <p>Under the Governor’s proposal, total ongoing funding for the program would be \$80 million Proposition 98 General Fund ongoing. Consistent with the existing design of the program, colleges could use their additional College Promise funds to waive enrollment fees for qualifying students or for other purposes, such as student support services. The proposal does not change the six requirements colleges must meet to receive funds under this program.</p> <p>The May Revision adjusts the costs estimates by \$5.22 million as follows: \$2.6 million for the first year costs of the program, and \$2.6 million to extend the the program to a second year. This brings the total cost for the program to \$85.14 million Proposition 98 General Fund.</p>	<p>The LAO recommends rejecting the proposal because: (1) it is too soon for the Legislature to evaluate the current College Promise program, (2) the program primarily benefits students without financial need, and (3) colleges now have stronger incentives to provide student support and improve student outcomes. Rejecting the proposal would free up a like amount of funding for other Proposition 98 priorities.</p>	TBL and BBL	Approve as proposed.

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
13	Student Success Awareness Team	<p>The Administration also proposes \$5 million General Fund one-time for the Chancellor’s Office to create a Student Success Awareness Team to support colleges in communicating with students information about the California College Promise, college costs, and career and transfer pathways. The Student Success Awareness Team will be responsible for researching and identifying information needs, developing resources and content that can be used locally, providing professional development to practitioners, and fully integrating the separate CCC campaigns and websites. This funding shall be available for encumbrance or expenditure until June 30, 2022.</p> <p>The May Revision amends the trailer bill language to also include promotion of the Associate Degree for Transfer.</p>	<p>This was heard on April 11th. On April 25th, the LAO released its analysis of this proposal. The LAO recommends rejecting the proposal because the administration has not provided adequate information as to why additional resources are needed, and recommends directing the Chancellor's Office to use existing funds for this purpose. Specifically, the Chancellor's Office already has three statewide marketing campaigns totalling \$10.3 million, and also provides technical assistance and training (\$28 million) through the Institutional Effectiveness Partnership.</p>	BBL	Reject.
14	Deferred maintenance	<p>The May Revision proposes \$3.925 million Proposition 98 General Fund to reflect reversion funds from the 2018-19 budget for deferred maintenance. Additionally, the May Revision also provide \$36.62 million Proposition 98 General Fund one-time from settle up funds for deferred maintenance.</p>		BBL	Adopt \$42.316 million one-time Proposition 98 General Fund (\$4.852 million from savings, and \$37.464 million from settle-up funds).

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
15	Facilities	<p>The Administration proposes \$18 million Proposition 51 funds to fund 12 of the 39 projects submitted by the Chancellor’s Office. Total state costs for all phases of the projects, including construction, are estimated to be \$254 million.</p> <p>The Governor’s budget also includes \$341 million in Proposition 51 funds for the construction phase of 15 projects that were initially approved in 2017-18 or 2018-19.</p> <p>The Governor also proposes an increase of \$132,000 Proposition 51 for the preliminary plans and working drawings phases of the Rio Hondo CCD, Rio Hondo College Music/Wray Theater Renovation project, which the Governor proposed to fund in January.</p> <p>The Administration submitted a spring finance letter requesting Proposition 51 reappropriation for working plans and drawings of (1) the San Francisco CCD, Ocean Campus: Utility Infrastructure Replacement Project (\$2.4 million); 2) Peralta Community College District, Laney College: Learning Resource Center (\$0.8 million), and (3) Peralta Community College District, Merritt College: Child Development Center (\$0.23 million).</p> <p>The Administration submitted a Spring Finance letter requesting a shift of \$2.19 million bond funds to support the Chancellor’s Office Facilities Planning Unit.</p>	This item was heard on April 11th.	BBL	Approve Governor's the proposed CCC capital outlay list, as well as all of the Chancellor's Office approved projects and construction phase of projects as found in Attachment 1.

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
16	Basic Needs	<p>On April 11, the subcommittee heard an item relating to student hunger and basic needs.</p> <p>Staff recommends adopting placeholder TBL to require UC, CSU and CCC to work with the Department of Social Services to assess the effectiveness of CalFresh and other state agencies in addressing student food insecurity. Additionally, adopt placeholder TBL to require CCC to report to the Department of Finance and all relevant policy and fiscal committees of the Legislature regarding their findings and recommendations from their 2018-19 workgroup meetings pursuant to the Welfare and Institutions Code Section 18928 by November 1, 2019. Adopt TBL to require CCC to report by March 1, 2020 at a minimum on use of funds, including the amount distributed to campuses, amount of funds used to address food insecurity types of programs the campuses invested in, number of Cal Fresh referrals and other resources to address housing insecurity, other and outcomes related to use of funds, to be refined as necessary.</p>		TBL	Adopt staff recommendation to provide \$15 million one-time Proposition 98 General Fund to address student hunger and basic needs. Additionally, adopt placeholder trailer bill language as described in the description section of this issue.
17	Non-Resident Tuition Exemption	<p>The Administration proposes trailer bill language for CCC and CSU to align state law with recently enacted amendments to the federal Veterans Access, Choice, and Accountability Act of 2014 (VACA Act). In September 2018, the federal government amended the VACA Act (Section 301 of Public Law 115-251) to require institutions to exempt students accessing federal Vocational Rehabilitation and Employment benefits from paying nonresident tuition and fees. Beginning March 1, 2019, if higher education institutions continue to charge these individuals nonresident tuition, the US Department of Veterans Affairs can bar the institution from receiving any GI Bill benefits. The state has amended its associated law several times the past few years to be in compliance with various amendments to the VACA Act.</p>		TBL	Approve as proposed.



## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
18	Veterans Resource Centers	The state currently provides \$5 million Proposition 98 General Fund ongoing to support Veterans Resource Centers. The Legislature may wish to provide additional funding for this purpose.		BBL/TBL	Adopt \$15 million Proposition 98 General Fund one-time to support veterans resource centers, and adopt placeholder trailer bill language to require the Chancellor's Office to report, at a minimum, how much funding each college received, how colleges spent funds and for what purpose, and outcomes associated with the funding.
19	Foster Care Education Program Funding	The May Revision proposes an increase of \$400,000 to sustain program funding for the foster and relative or kinship care education at current funding levels due to project decrease in federal matching funds.		BBL	Approve as proposed.
20	Historically Black Colleges and Universities Transfer Pathway	The HBCU Transfer Pathway program is administered by the community college chancellor's office. The program helps develop transfer guarantee agreements that help facilitate a smooth transition for students from all of the California Community Colleges to partnered HBCUs. These agreements will simplify the transfer process and reduce students' need to take unnecessary courses, thereby shortening the time to degree completion with a cost savings. Currently, the program has partnerships with 37 HBCU's across the country.		TBL	Adopt \$81,000 Proposition 98 General Fund one-time to support the program.
21	Re-entry programs	The 2018-19 budget provided \$5 million one-time Proposition 98 General Fund for the Reentry Grant Program to support current and formerly incarcerated students.	On May 9th, the subcommittee heard a request to provide additional funds for reentry programs.	TBL	Adopt \$5 million one-time Proposition 98 General Fund to support another round of grants for formerly incarcerated students.

## 6870 California Community College (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
22	Mendocino College Construction Trades	On May 9th, the subcommittee heard a request to provide Mendocino College one-time start up funds to implement a construction trades program.		TBL	Adopt \$1 million one-time Proposition 98 General Fund for Mendocino Community College to implement a construction trades program in Lake and Mendocino counties.
23	CCC Teacher Credentialing Partnership Pilot Program	On May 9th, the subcommittee heard a request to provide \$1.5 million one-time Proposition 98 General Fund to implement the CCC Teacher Credentialing Pilot Program, pursuant to Senate Bill 577 (Dodd), Chapter 603, Statutes of 2018. This program will award grants to collaboratives of one or more teacher-credentialing higher education institutions partnering with one or more community colleges for the purpose of offering teacher credentialing programs at community colleges.		TBL	Adopt \$1.5 million one-time Proposition 98 General Fund to implement the CCC Teacher Credentialing Partnership Pilot Program, pursuant to SB 577 (Dodd), Chapter 603, Statutes of 2018.
24	Full-time Faculty	Full-time faculty benefit students and colleges by providing critical services such as academic advising during faculty office hours, ongoing curriculum development, and by participating in institutional planning and shared governance. According to the Chancellor's Office, hiring additional full-time faculty will help advance the goals in the Strategic Vision, and is a key component of academic and curricular redesign. Faculty are vital to meeting the goal of increasing transfer-intersegmental faculty partnerships can advance new transfer pathways and help ensure CCC students are well prepared for success at four-year universities. Education code section 87482.6 states a legislative goal that 75 percent of instruction should be delivered by full-time faculty, currently the percentage is closer to approximately 50 percent.		BBL	Appropriate \$23.07 million ongoing Proposition 98 General Fund to be used to hire new full-time faculty for community college districts to increase their percentage of full-time faculty, toward meeting the 75 percent full-time faculty target. This is could provide for an additional 200 to 300 full-time faculty.

## 6870 California Community College (Discussion/Vote)

Issue	Subject	Description	Comments	Language	Staff Recommendation
25	Student Centered Funding Formula (1)	<p>The Administration proposes to postpone, for one year, the scheduled changes in the share of apportionment funding linked with the base allocation and the student success allocation. Under the Governor’s proposal, the 2019-20 funding formula rates would be the same as in 2018-19, adjusted for COLA. The Administration indicates the proposal is intended to provide additional time for the Chancellor’s Office to assess the reliability and quality of the student outcome data used in determining districts’ funding allocations. In 2020-21, rates would change as currently scheduled, with base rates decreasing and student success rates doubling.</p> <p>The Governor also proposes to limit growth in a district’s student success allocation such that it can increase no more than 10 percent each year. This proposal helps to constrain the total costs of the formula and limits the fiscal effects of student outcome data that is of potentially poor quality.</p> <p>(continued on the following page).</p>	<p>The LAO sees no strong rationale for why the hold harmless provision needs to be extended for an additional year at this time. Colleges already have a hold harmless provision in place for 2019-20 and 2020-21 under existing law, such that no urgency exists for deciding now whether to keep the hold harmless provision in place for a fourth year. Extending the hold harmless provision will come at an added cost to the state in 2021-22 (likely increasing costs by tens of millions).</p>	BBL and TBL	<p>Approve the Governor's proposal to postpone, for one year, the scheduled changes in the share of apportionment funding linked with the base allocation and student success allocation. Additionally, approve the Governor's proposal to extend the hold harmless provision of the funding formula by one year. Additionally, adopt placeholder trailer bill language to modify the funding formula by (1) implementing a three-year rolling average of the student success allocation, and (2) only counting the highest award obtained, to be modified as necessary.</p>

## 6870 California Community College (Discussion/Vote)

Issue	Subject	Description	Comments	Language	Staff Recommendation
25	Student Centered Funding Formula Continued (2)	<p>The May Revision proposes a decrease of \$99.79 million to reflect various technical base adjustments. This total adjustment includes revised estimates of the three-year FTES rolling average, revised estimates of Pell/BOG counts, and revised estimated of success equity.</p> <p>The May Revision proposes trailer bill language to extend the hold harmless period by an additional year to 2021-22. The May Revision also includes an increase of \$50.63 million Proposition 98 General Fund to reflect updated estimates to the the 2019-20 hold harmless amounts.</p>			

## 6120 California State Library (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
26	Zip Books	<p>The Governor's January budget proposes \$1 million, one-time local assistance General Fund appropriation 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.</p> <p>According to the Administration, \$900,000 would be used to purchase approximately 60,000 books. The book purchases would be on behalf of patrons at the 68 library jurisdictions that participate in the program. In addition, the Administration submitted a list of another 29 library jurisdictions that it believes could potentially begin participating in the program in 2019-20. The remaining \$100,000 would cover NorthNet's administrative costs.</p>	This item was heard on May 2nd.	BBL	Approve as proposed.
27	Lunch at the Library	<p>The Governor's January budget proposed \$1 million one-time General Fund to support the Lunch at the Library program. This funding will be distributed as follows: \$675,000 for local library grants start up costs, \$210,000 for program staff, \$25,000 for conference travel and supplies, and \$90,000 for overhead.</p>	This item was heard on May 2nd.	BBL	Approve as proposed.

## 6120 California State Library (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
28	Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) Historical Preservation	The May Revision proposes \$500,000 one-time to provide support for the preservation of historical LGBTQ sites.		BBL	Approve as proposed.
29	Mobile Libraries	<p>The May Revision proposes \$3 million one-time General Fund to support grants to local library jurisdictions to acquire bookmobiles and vans. According to the State Library, on average book mobiles cost approximately \$250,000 each and community outreach vans cost \$33,000 each. Grants will be targeted toward local library jurisdictions with low per capita library spending, jurisdictions serving underserved and underrepresented communities, those with the most credible plans for ongoing sustainability of mobile library assets, and those with highest demonstrated need based on geographic and demographic factors.</p> <p>According to the federal Institute for Museum and Library Services, there are 53 bookmobiles in the state.</p>		BBL	Approve as proposed.

## 6120 California State Library (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
30	California State Law Library Account Sunset Extension	The May Revision proposes trailer bill language to extend the sunset date for the revenue transfer supporting the California State Law Library Special Account from January 1, 2020 to January 1, 2025		TBL	Approve as proposed.
31	Early Learning and After-School Program	The May Revision proposes \$5 million one-time General Funds provide grants for early learning and after school programs to library jurisdictions with low per capita library spending.		BBL	Approve as proposed.
32	AB 2252 (Limon), Chapter 318, Statutes of 2018	The Governor's budget proposes \$641,000 General Fund in 2019-20 and \$391,000 in 2020-21 and ongoing to implement AB 2252 (Limon), Chapter 318, Statutes of 2018. AB 2252 required the California State Library to create a funding opportunities Internet Web portal that provides a centralized location for grant seekers to find state grant opportunities, as specified.	This item was heard on May 2nd.	BBL	Approve as proposed.

## 6610 Hastings College of Law (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
33	Base Allocation	The Governor's Budget provided an increase of \$1.4 million ongoing General Fund for an unrestricted base increase in core funding. The Governor links the General Fund augmentation to an expectation that Hastings not increase tuition in 2019-20.	This item was heard on May 2.	BBL	Approve as proposed.
34	Deferred Maintenance	<p>The Governor's budget also provides \$1 million one-time General Fund for deferred maintenance.</p> <p>The May Revision amends the BBL specifying that in addition to deferred maintenance projects, this funding is also available for replacement of instructional equipment and technology. However, should Hastings use this funding for instructional equipment or technology it shall not be used for personal services costs or operating expenses.</p>	This item was heard on May 2.	BBL	<p>Approve and require the Department of Finance 30 days before release of the funds on to notify the JLBC with a list of projects that Hastings plans to support with these funds. Additionally, adopt supplemental reporting language directing Hastings to submit a report by January 1, 2021 to ensure its academic facilities are well maintained. The maintenance plan shall include estimates of annual spending, need, total amount of the backlog, and how much it would cost to eliminate the backlog.</p> <p>Additionally, the report shall provide an update regarding seismic safety issues across campuses, the cost to address it, and a timeline and plan on how to address it.</p>



## 6610 Hastings College of Law (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
35	UC PATH	<p>The May Revision provides an increase of \$594,000 to support the implementation of the UC Payroll, Accounting, Timekeeping, and Human Resources system (UC PATH). UC PATH is a UC program to implement a single payroll, benefits, human resources and academic personnel solution for all UC employees. The intent is to standardize and streamline payroll and human resources processes systemwide. The 2018-19 budget provided Hastings \$1.45 million to implement UC PATH, with an unexpended balance of \$429,634.</p> <p>As a result of project delays additional costs have occurred. Hastings was scheduled to deploy the program in January 2020, however, no UC has announced Hastings will deploy on March 1, 2020. The May Revision is requesting additional support because Hastings does not have the sufficient financial capacity to absorb this expense. The May Revision brings total funding in 2019-20 to \$1.02 million.</p>		BBL	Approve as proposed.

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
36	Reappropriation	<p>The 2018-19 budget provided \$2 million for faculty diversity efforts. These funds expire on June 30, 2019. However, UC cannot encumber these funds prior to June 30, 2018, because the faculty contracts don't start until July 1, 2019. Also, some of the funds are going towards start-up packages, which means laboratory renovation, equipment purchases, etc., all of which would be after the faculty member starts at the UC.</p> <p>UC received \$500,000 in the Budget Act of 2018 for the California Vector-Borne Disease Surveillance Gateway. These funds are intended to pay for one year of study and surveillance. UC provided these funds to UC Davis, where the faculty member working on this issue is housed. The funds expire on June 30, 2018.</p>		BBL	<p>Adopt BBL to extend the encumbrance or expenditure of the faculty diversity funds until June 30, 2022.</p> <p>Adopt BBL to extend the encumbrance or expenditure of the Vector-Borne Surveillance Gateway until June 30, 2020.</p>
37	Base Allocation	<p>The Governor proposes an increase of \$120 million General Fund ongoing to address UC's mandatory costs. Budget bill language does not specify the breakdown or specific use of the \$120 million increase. However, the UC indicates that it will use the increase as follows: (1) \$41 million for operating expenses and equipment, (2) \$30 million for salary increases for represented employees, (3) \$21 million for health benefit cost increases, (4) \$20 million for pension benefit cost increases, (5) \$7 million for retiree health cost increases.</p>		BBL	Approve as proposed.

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
38	Resident Undergraduate Enrollment	<p>Proposes \$10 Million Ongoing to Sustain a Portion of 2018-19 Enrollment Growth. According to the Department of Finance, the \$10 million General Fund ongoing would support 1,000 FTE students enrolled above the 2018-19 enrollment target. The \$10 million is based on a \$10,000 per-student state rate using the marginal cost of instruction. UC used \$10 million of the \$105 million one-time funds from the 2018-2019 budget to fund this enrollment. This proposal would provide ongoing funding to support for this purpose. The language does not specify if this funding is for undergraduate or graduate students.</p> <p>The Governor does not propose enrollment targets or enrollment growth funding for either 2019-20 or 2020-21.</p>	UC requests the state to support 2,500 more undergraduates in 2019-20, and 1,000 more graduate students. UC is seeking \$40.3 million in ongoing General Fund to support this growth.	BBL	Approve the Governor's budget proposal to provide \$10 million ongoing General Fund to sustain a portion of 2018-19 enrollment growth. Additionally, approve \$10 million ongoing General Fund to increase new undergraduate resident enrollment by 1,000 in 2019-20 compared to 2018-19.
39	Non Resident Enrollment	The 2018-19 budget required the UC to report to the Legislature various options to reduce nonresident enrollment at UC campuses to 10 percent over ten years. The UC estimates that in order to reduce nonresident enrollment of 10 percent by 2029-30, the initial state investment is \$18 million to increase resident slots and to backfill loss of NRST in 2020-21. The subcommittee will work with UC in the upcoming year to further evaluate estimates.		BBL	Increase base funding beginning in 2020-21 to begin backfilling the phasing down of nonresident enrollment to no more than 10 percent at any UC campus by 2029-30, and thereby replacing nonresident students with qualified California students, while holding UC campuses fiscally harmless.

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
40	UC 2030 Advancing the California Dream	The Governor's budget provides \$50 million General Fund ongoing to support "UC 2030 Advancing the California Dream." UC would have flexibility to use the funds, though the Administration suggests activities might include hiring additional faculty, increasing academic counseling services, and addressing facility needs. Specifically, budget bill language for 6440-001-0001 Provision 5.1 states: "\$49.9 million shall be available to support efforts to increase degree attainment and student success."	The LAO has concerns, specifically, the proposal lacks accountability regarding use of funds and performance expectations, and outcome measures.	BBL	Approve and adopt budget bill language requiring a report by February 1, 2020 on: (1) the amount each campus spent on the "UC 2030", (2) a description of activities and programs that campuses invested in, (3) how spending was linked to research on best practices, (4) campus data on whether activities achieved its desired effect, (5) each campus' efforts to close the achievement gap for low-income students, historically underrepresented students, and first generation students, and (6) growth in management, faculty and support staff.
41	Extended Education	The Governor's proposes \$15 million one-time General Fund for UC Extension. The Department of Finance has indicated the funds would support initial planning, curriculum development, outreach, and other start-up costs for the new programs. The Governor expects the new programs would be offered on a fee-basis and self-supporting after initial start-up. The only detail the Governor has on the proposal is a budget bill provision indicating that the funds are "to develop or expand degree and certificate completion programs."	The LAO recommends rejecting this proposal. The LAO notes that the proposal does not explain why existing re-entry options are inadequate, and why state funds are needed when these programs are self supporting enterprises.  Staff also notes it is unclear what type of programs these would support.	BBL	Reject.

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
42	Hunger and Housing Insecurity	<p>The Governor's budget proposes \$15 million General Fund ongoing to address student hunger and homelessness. According to the Governor's budget summary document, this funding will augment the UC's existing efforts to address student hunger and housing needs.</p> <p>The May Revision proposes budget bill language to specify that funds shall be used to "support meal donation programs, food pantries serving students, CalFresh enrollment, and other means of directly providing nutrition assistance to students. The funds shall also be used to assist homeless and housing-insecure students secure stable housing"</p>		BBL	<p>Approve as proposed. In addition, adopt BBL to require UC, CSU, CCC to work with the Department of Social Services to assess the effectiveness of CalFresh and other state agencies in addressing student food and housing insecurity. Require UC to report to the Department of Finance and all relevant policy and fiscal committees of the Legislature regarding their findings and recommendations as well as information they learned from their workgroup meetings pursuant to the Welfare and Institutions Code Section 18928 by November 1, 2019. Adopt TBL to require UC to report by March 1, 2020 on use of funds, including the amount distributed to campuses, amount of funds used to address housing insecurity, amount of funds used to address food insecurity, types of programs the campuses invested in, number of Cal Fresh referrals and other resources to address housing insecurity, and outcomes.</p>

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
43	Rapid Rehousing	The May Revision proposes \$3.5 million General Fund ongoing to support rapid rehousing efforts to assist homeless and housing insecure students.		BBL	<p>Approve as proposed. Adopt BBL to clarify that funding be to address basic needs insecurities through various strategies, including, but not limited to:</p> <ol style="list-style-type: none"> <li>1. Establishing ongoing partnerships with community organizations that have a tradition of helping populations experiencing basic needs insecurity to provide wrap-around services for students.</li> <li>2. Connecting students with community case managers who have knowledge and expertise in accessing safety net resources.</li> <li>3. Establishing ongoing emergency housing procedures, including on-campus and off-campus resources.</li> <li>4. Providing emergency grants for up to three months for students enrolled half-time, and up to six months for students enrolled full-time. Campuses may hire a coordinator to help provide or coordinate these services.</li> </ol> <p>Additionally, require UC to report by March 1, 2020 regarding the use of these funds, including the number of coordinators hired, number of students served by campus, distribution of funds by campus, a description of types of programs invested in, and other relevant outcomes, such as the number of students that were able to secure permanent housing.</p>

## 6440 - University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
44	UC Riverside Medical School	Senate Bill 56 (Roth) would appropriate \$80 million General Fund in 2020-21 for the construction of a new UCR School of Medicine facility, and provide \$25 million ongoing General Fund starting in 2020-21 to support ongoing operational support for the expansion of the school.		BBL and TBL	Adopt \$80 million General Fund one-time in 2019-20 for the construction of a new UCR School of Medicine facility, and provide \$25 million ongoing General Fund starting in 2019-20 to support ongoing operational support for the expansion of the school. Additionally, require reporting pursuant to subdivision (d) of Section 16 of Chapter 50 of Statutes 2013, as well as reporting on the scope, funding and current status of the project to be submitted annually by February 1, starting in 2020 until the project is completed. This funding shall supplement and not supplant funds already dedicated for this purpose.
45	Mental Health Services	The Governor's budget provides \$5.3 million ongoing General Fund to increase mental health resources. The Governor's budget bill language does not provide further detail regarding use of funds. This amount is in-line with the UC's budget request. According to UC's budget documents, this funding will enable campuses to hire additional mental health advisors and other professionals to improve student access to counseling and related services. However, it is unclear the number of professions that will be hired at each campus.		BBL	Reject. See action regarding Mental Health Services for Students Program.
46	Outreach to low-income high school students	As a result of reducing non-resident enrollment slots at the UC, the Legislature may wish to provide additional funds for UC to conduct outreach to low-income high school students.		BBL	Adopt \$8 million one-time General Fund for outreach and student support services for low-income students and students from underrepresented minority groups, including students who were enrolled in high schools in which the enrollment of students who were unduplicated pupils as defined in Section 42238.02 of the Education Code is more than 75 percent of the total enrollment.

## 6440-University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
47	Deferred Maintenance	The Governor's budget proposes \$138 million one-time General Fund to address deferred maintenance at UC. The May Revision proposes budget bill language to authorize up to \$5 million of the \$138 million to be used to conduct an assessment of UC's facilities needs.	In addition to the \$35 million preliminary approval for deferred maintenance and condition assessment in the AB 94 process. The UC's adopted budget only included \$100 million to address deferred maintenance.	BBL	<p>Approve as proposed. Adopt BBL to require the Department of Finance to notify the Joint Legislative Budget Committee regarding the list of projects and the associated costs 30 days prior to allocation of funds.</p> <p>Additionally, adopt supplemental reporting language directing UC to submit a report by January 1, 2021 to ensure its academic facilities are well maintained. The maintenance plan shall include estimates of annual spending, need, total amount of the backlog, and how much it would cost to eliminate the backlog. Additionally, the report shall provide an update regarding seismic safety issues across campuses, the cost to address it, and a timeline and plan on how to address it.</p>



## 6440-University of California (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
48	UC Berkeley Labor Center	The Center for Labor Research and Education (Labor Center) is a public service and outreach program of the UC Berkeley Institute for Research on Labor and Employment. Founded in 1964, the Labor Center conducts research and education on issues related to labor and employment. The Labor Center's curricula and leadership trainings serve to educate a diverse new generation of labor leaders. The Labor Center carries out research on topics such as job quality and workforce development issues, and we work with unions, government, and employers to develop innovative policy perspectives and programs.			Adopt \$1.5 million one-time General Fund to support the UC Berkeley Labor Center's research efforts.
49	Tobacco-Related Disease Research - Technical Adjustment	The May Revision proposes an increase of \$1.27 million to align with revised estimates of available funding within the Research Account, Cigarette and Tobacco Products Surtax Fund. The funds in the account are only available for appropriation for tobacco-related disease research. The Governor's Budget included \$10.16 million for the program, based on revenue estimates for the May Revision, the appropriation should be \$11.44 million.		BBL	Approve as proposed.
50	Graduate Medical Education	The Administration proposes an increase of \$40 million General Fund to support graduate medical education, consisting with at \$3.5 million adjustment, and \$36.5 million end the General Fund shift of Proposition 56.		BBL	Approve as proposed.

**6610 - California State University (Vote Only)**

Issue	Subject	Description	Comments	Language	Staff Recommendation
51	Base Augmentation	<p>The Governor's budget proposes \$193 million ongoing for compensation and other operational costs. According to the Administration, this amount is intended to cover CSU's \$148 million in higher salary costs and \$45 million in mandatory costs.</p> <p>Of the \$148 million, \$29 million is to cover CFA's contract, \$30 million for CSUEU's contract, \$13 million to cover the 11 other bargaining units, and \$23 million for non-represented staff.</p> <p>Of the \$45 million: (1) \$26 million attributed to retirement costs above CSU's 2013-14 pensionable payroll level, (2) \$7.3 million resulting from a 1.3 percent increase in CalPERS negotiated employer health care premium costs, (3) \$6.8 million resulting from an increase in the state minimum wage from \$11 to \$12 per hour beginning January 2019, and (4) CSU is scheduled to open about 400,000 square feet of new facility space in 2019-20. CSU estimates that it will incur \$4.7 million in costs associated with operations in this new space in the budget year.</p>		BBL	<p>Approve as proposed. Additionally, adopt BBL that specifies of funding provided in 6610-001-0001, \$35 million shall be expended to increase the number of tenure-track faculty pursuant to the Graduation Initiative. Funds shall be used to hire full-time, tenure-track faculty above and beyond the CSU's 11,228 current tenure-track faculty. The CSU shall give consideration to qualified existing lecturers that apply for tenure-track faculty positions. The CSU shall report to the Legislature, no later than November 1, 2020, and then beginning November 2021 and every two years thereafter until funds are fully allocated, on how the funding allocated in this provision was spent to increase the number of tenure-track faculty. In addition, the CSU shall provide the Legislature a plan for allocating the new moneys to campuses and their expected hiring amounts by October 2019.</p>

**6610 - California State University (Vote Only)**

Issue	Subject	Description	Comments	Language	Staff Recommendation
52	Enrollment	The Governor's budget provides \$62 million General Fund ongoing for a two percent enrollment growth. This amount would fund about 7,300 resident FTE students in 2019-20. The Administration has indicated its intention that this funding be for resident undergraduate students.		BBL	Approve as proposed. In addition, adopt an additional \$23 million General Fund ongoing to support an additional 2,700 undergraduate FTES, including transfer students, for a total of \$85 million General Fund ongoing to support a total undergraduate enrollment growth of 10,000 FTES in 2019-20 above 2018-19.
53	Capital Fellows Program	The Center for California Studies administers the Capital Fellows Program, with four fellowship programs (Assembly, Senate, Executive and Judicial). Capital Fellows are placed at some of the highest levels of California state government and assist state legislators, senior-level executive staff, and court administrators with a broad range of public policy issues and projects. Fellows receive a monthly stipend of \$2,698.		BBL	Approve a cost of living adjustment for the Capital Fellows program (\$67,000).

## 6610-California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
54	First Star Foster Youth Cohort at CSU Sacramento	<p>The May Revision proposes an increase of \$740,000 General Fund one-time to support a First Star Foster Youth Program Cohort at CSU Sacramento. This program would enable a cohort of foster youth to engage in a variety of activities that support learning opportunities that may include academic courses for college credit, social and cultural activities, service learning, and other recreational activities.</p> <p>The First Star program is a non-profit organization that partners with child welfare agencies, universities and school districts to help foster youth transition into higher education and adulthood. Currently, First Star serves 350 youths total in 13 post-secondary institutions across the country, with two in California (CSU San Bernadino and UC Los Angeles). The Legislature does not fund the programs at UCLA and CSU San Bernardino.</p> <p>CSU Sacarmento currently does not operate a program, however it is the intent of this funding to serve roughly 30 students. This funding will support one cohort of students over four years at CSU Sacramento.</p>	The LAO notes that this proposal creates equity issues for other foster youth located in other areas of the state as well as other foster youth located in Sacramento that do not make it into the one cohort of participants.	BBL	Reject without prejudice.

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
55	Graduation Initiative	<p>The Governor's budget provides an additional \$45 million General Fund ongoing to support the Graduation Initiative. This would bring ongoing funding for the Graduation Initiative to \$243 million. Though CSU does not have a specific spending plan for the additional funds, the Chancellor's Office indicates campuses likely would use the bulk of the funds to hire additional faculty, offer more sections of high demand courses, and provide more academic advising and other support services, particularly to students at risk of not graduating. These activities are similar to CSU's current Graduation Initiative spending priorities. The Governor's budget also requires CSU to produce the same report to the Legislature as the 2018-19 budget regarding the amount of funds each campus spent, for what purpose, a description of each campuses efforts, among others.</p>		BBL	<p>Approve as proposed, and adopt an additional \$30 million General Fund ongoing above the Governor's budget for a total of \$75 million General Fund ongoing to support the Graduation Initiative. In addition, approve the proposed BBL reporting requirements.</p>

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
56	Project Rebound	<p>The Administration proposes \$250,000 General Fund ongoing to support the program. The Administration's intent is for CSU to maintain the program to new campuses or increase program enrollment among the nine campuses currently operating Project Rebound. the state funding.</p> <p>The May Revision proposes an increase of \$750,000 General Fund ongoing for a total of \$1 million General Fund ongoing to support Project Rebound at CSU.</p>	<p>This was heard on April 4. In 2018-19, Project Rebound operated on nine CSU campus with a total budget of \$1.7 million, and served 300 students.</p>	BBL	<p>Approve as proposed. Additionally adopt reporting language due April 1, 2020 on (1) the CSU's expenditure plan is for the Governor's proposal, (2) the amount of funds, funding sources, and types of programs that CSU campuses use to support formerly incarcerated students, (4) how the campus programs coordinate with other support services and the various statewide and local initiatives for formerly incarcerated people, (5) and the outcomes associated with this funding.</p>
57	Capital Outlay	<p>The Administration proposes trailer bill language to allow CSU to apply remaining proceeds, approximately \$11 million, from its share of four General Obligation bonds towards CSU Los Angeles- physical sciences building renovation project. The proceeds are from the 1996, 2002, 2004, and 2006 Higher Education Capital Outlay Bond Funds. This project was selected by the Administration to address fire life safety and code deficiencies at the facility, including outdated elevators and inadequate fire alarm and suppression systems.</p>	<p>This was a Spring Finance Letter</p>	TBL	<p>Approve as proposed.</p>

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
58	Deferred Maintenance	<p>The Governor's January budget proposed \$247 million one-time General Fund for deferred maintenance or child care facilities. Proposed provisional language also gives campuses the option to use these funds "to expand campus based child care facility infrastructure to support student parents," however it is unclear if CSU will utilize funds for this purpose.</p> <p>According to the Chancellor's Office, 18 campuses have child care facilities. Specifically, there are 29 individual centers, of which 17 are academic child care programs and 12 are self-supported and operated by an auxiliary. The Chancellor's Office estimates that academic childcare programs have approximately \$3 million in deferred maintenance needs; however this amount, is not finalized.</p>	This was heard on April 4.	BBL	<p>Approve as proposed and adopt BBL to require the Department of Finance to notify the JLBC 30 days prior to the release of funds with a list of projects to be supported by these funds.</p> <p>Additionally, adopt supplemental reporting language directing CSU to submit a report by January 1, 2021 to ensure its academic facilities are well maintained. The maintenance plan shall include estimates of annual spending, need, total amount of the backlog, and how much it would cost to eliminate the backlog. Additionally, the report shall provide an update regarding seismic safety issues across campuses, the cost to address it, and a timeline and plan on how to address it.</p>

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
59	New Campus Study	<p>The Governor's budget summary proposes \$2 million one-time General Fund for the Chancellor's Office to undertake a review of a potential CSU campus in San Joaquin County, likely Stockton.</p> <p>The May Revision proposes BBL which requires CSU to report by July 1, 2020 to the Department of Finance and the Joint Legislative Budget Committee on: (1) benefits that the campus would provide to the locals, regional economy and the state, (2) impact it would have on the long-term enrollment demand and other public post secondary institutions, (3) impact on the capital expenditure debt limitations, (4) possible sites, (5) timele for the development of the campus, including environmental impact sudy, curriculum, staff and faculty hiring, and when students will start enrolling, (6) description of its impact on CSU's redirection policy, (7) long-range enrollment projects, and (8) initial cost estimates for the campus.</p>	<p>This item was heard on April 4. The subcommittee has received requests to expand the scope of the study to include other regions in the state.</p>	BBL	<p>Modify the Governor's proposal. Adopt placeholder trailer bill language to provide \$4 million General Fund one-time to conduct a statewide study to review potential new CSU campuses. The review will look at all regions in the state, with a particular focus on the Central Valley and the San Diego border region.</p>



## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
60	Basic Needs	The Governor's budget provides CSU with \$15 million one-time General Fund for basic needs partnerships. The Governor's budget proposal does not provide details about the proposal, such as what a basic needs partnership is, how much should be spent for hunger or homelessness, or update on how funding is spent or for what purpose.	This item was heard on April 4.	BBL/TBL	Approve as proposed. Adopt TBL to require UC, CSU and CCC to work with the Department of Social Services to assess the effectiveness of CalFresh and other state agencies in addressing student food and housing insecurity. Require CSU to report to the Department of Finance and all relevant policy and fiscal committees of the Legislature regarding their findings and recommendations pursuant to the Welfare and Institutions Code Section 18928 by November 1, 2019. Adopt TBL to require CSU to report by March 1, 2020 at a minimum on use of funds, including the amount distributed to campuses, amount of funds used to address housing insecurity, amount of funds used to address food insecurity, types of programs the campuses invested in, number of Cal Fresh referrals and other resources to address housing insecurity, number of basic needs partnerships established and outcomes related to use of funds.

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
61	Rapid Rehousing	The May Revision proposes \$6.5 million General Fund ongoing to support rapid rehousing of homeless and housing insecure students.		BBL	<p>Approve as proposed. Adopt BBL to clarify that funding be to address basic needs insecurities through various strategies, including but not limited to:</p> <ol style="list-style-type: none"> <li>1. Establish ongoing partnerships with community organizations that have a tradition of helping populations experiencing basic needs insecurity to provide wrap-around services for students.</li> <li>2. Connect students with community case managers who have knowledge and expertise in accessing safety net resources.</li> <li>3. Establish ongoing emergency housing procedures, including on-campus and off-campus resources.</li> <li>4. Provide emergency grants for up to three months for students enrolled half-time, and up to six months for students enrolled full-time.</li> </ol> <p>Campuses may hire a coordinator to help provide or coordinate these services. Additionally, require CSU to report by March 1, 2020 regarding the use of these funds, including the number of coordinators hired, number of students served by campus, distribution of funds by campus, a description of types of programs invested in, and other relevant outcomes, such as the number of students that were able to secure permanent housing.</p>

## 6610 - California State University (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
62	Special Education Specialist	Staff notes that in addition to the special education teacher shortage, LEAs are also experiencing shortages for specific special education specialists. Staff notes that in the prior budget cycle, the LAO recommended the Legislature fund targeted enrollment growth at the CSU for graduate specialist programs of occupational therapy and speech and language pathology. The LAO noted that the state could increase these programs by five percent per year (45 students and \$675,000 per year) until the critical shortage of these specialists is reduced.		BBL	Approve \$3 million General Fund one-time to increase enrollment for this program. Require CSU to report on outcomes and use of these funds.
63	Immigrant Legal Services	The Governor proposes \$7 million ongoing General Fund for the CSU starting in 2019-20.		BBL/TBL	Approve as proposed.
64	Vesting Schedule	The May Revision proposes trailer bill language to align the vesting period for the United Auto Workers (CSU bargaining unit 11) CSU employees' health and dental benefits with recently approved collective bargaining agreements with the employees. Specifically, the proposal increases the vesting period for retiree health and dental benefits for new employees hired after July 1, 2019 from five years to ten years.	This is consistent with the collective bargaining agreement.	TBL	Approve as proposed.
65	Retiree Census Data	The May Revision proposes trailer bill language to authorize the California Public Employees Retirement System to provide retiree census data to the CSU to enable CSU to contact the employees to inform them about benefits (dental, vision, and group legal services) available to them during the open enrollment period. This authority is currently available to the Department of Human Resources. Sensitive personal information will not be exchanged.		TBL	Approve as proposed.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
66	Nontuition Awards for Student Parents	<p>The Governor's January budget proposed \$122 million General Fund ongoing to provide additional nontuition aid for student parents. Due to updated estimates, the May Revision reduced the cost to the program by \$24.94 million. The total proposed funding for the program is \$97 million General Fund ongoing.</p> <p>The proposal would create a Cal Grant A Access award and would increase the size of the Cal Grant B Access award and Cal Grant C Book and Supply award for eligible student parents. The maximum grant for student parents attending full time would range from \$4,000 to \$6,000, depending on the award type. As with all Cal Grants, the award amount would be prorated downward for part time students. Only student parents enrolled at CCC, CSU, and UC would be eligible for the higher grants.</p>	<p>This item was heard on May 2nd.</p> <p>Based on recent caseload data, the Administration estimates that about 29,000 student parents would receive the proposed Cal Grant awards under the Governor's budget proposal. However, of about 62,000 student parents who were eligible for a new competitive award in 2017-18, about 44,000 (71 percent) did not receive one.</p>	BBL/TBL	<p>Reject the Governor's budget proposal. Redirect funds as follows (1) \$43.3 million to expand the Cal Grant B Access award by \$188, bringing the new amount to \$1,836, (2) \$43.3 million to increase the number of competitive Cal Grant Awards by 14,000 new awards, and (3) \$10 million to fund Summer Cal Grants. Adopt placeholder trailer bill language to implement these augmentations, to be revised as necessary.</p>
67	State Operations for the Nontuition Award for Student Parents	<p>The May Revision proposes an increase of \$414,000 and one position, of which \$304,000 is one-time, to support the implementation of the program. This increase will provide programmatic technical assistance, develop outreach and marketing materials, and adjust the GDS to support the new program.</p>		BBL	Reject.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
68	Competitive Awards	<p>The Governor's January budget proposed a \$9.6 million increase to support 4,250 additional competitive awards. This proposal would increase the total number of new competitive awards authorized annually to 30,000. Consistent with current law, half of these awards would be reserved for students attending CCC.</p> <p>The May Revision proposes an increase of \$2.0 million to reflect revised estimates of the cost to increase the number of competitive awards from 25,250 to 30,000.</p>	This item was heard on May 2nd.	TBL	Approve as proposed. In addition to the action taken in the previous issue, this represents a total increase of 18,250 additional awards. As a result of these actions, the total number of competitive awards is 44,000.
69	Caseload Estimates	<p>The Governor's January budget proposed an increase of 2018-19 Cal Grant spending by \$33 million General Fund above the 2018 budget level due to higher than expected caseload. The Governor's January budget provides a \$158 million General Fund increase for 2019-20.</p> <p>The May Revision updated Cal Grant Caseload estimates: (1) decrease 2019-20 by \$19.94 million General Fund to reflect a decrease in the number of new recipients in 2018-19, (2) an increase of \$5.92 million General Fund in 2019-20 to reflect expenditures that can be funded through the Temporary Assistance for Needy Families (TANF) resources.</p>		BBL	Approve as proposed.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
70	Grant Delivery System	The Governor's January budget proposed \$6.2 million one-time General Fund for the second year of the implementing the Grant Delivery System. Of this amount, \$5.3 million would go to vendors to develop and test the new system, conduct project management, and provide related staff training. The remaining funds (\$0.9 million) would go toward hardware, initial software licensing, and required services from other state agencies (including CDT for project oversight). CSAC anticipates requesting additional one-time funding in 2020-21 and 2021-22 for any remaining project costs, with a potential future funding request for certain ongoing operational costs.	This item was heard on May 2nd.	BBL	Approve as proposed.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
71	State Operations	<p>The Administration proposes \$390,000 General Fund in 2019-20 and \$290,000 General Fund ongoing starting in 2020-21, and an increase of three permanent positions at CSAC. This funding will be divided as follows:</p> <ul style="list-style-type: none"> <li>• Support Foster Youth (\$100,000): This item requests \$100,000 one-time General Fund to enable CSAC to make modifications to its current GDS to accommodate the mandates specified in AB 1811 (Committee on Budget), Chapter 35, Statutes of 2018 and AB 1809 (Committee on Budget) Chapter 33, Statutes of 2018, that expanded eligibility for financial aid programs for current and former foster youth.</li> <li>• Institutional Support (\$220,000): This item requests two positions (Associate Governmental Program Analysts) to strengthen institutional support provided to high school counselors and College Financial Aid analysts.</li> <li>• Executive Office Support (\$70,000): This item requests one position (Office Technician) to support the Executive Office.</li> </ul>	This item was heard on May 2nd.	BBL	Approve as proposed.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
72	Child Savings Accounts Grant Program	The May Revision proposes trailer bill language to establish the Child Savings Accounts Grant Program for \$50 million one-time General Fund. This grant program will support the development or strengthening of cost-effective models that can be replicated or expanded to increase access to Child Savings Accounts among incoming kindergartners.	This item was heard on April 25. CSAC currently administers the Every Kid Counts College Savings Account. In 2017, the state provided \$2.9 million General Fund one-time for this program. It is unclear why another similar type of program is needed.	TBL	Reject the Governor's proposal, and redirect \$20 million one-time General Fund for the existing Every Kid Counts College Savings Account Program.



## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
73	Student Loan Awareness Initiative	<p>The January budget proposed \$5 million General Fund one-time to the Office of Planning and Research develop an outreach initiative to educate student loan borrowers about their loans, lending practices, and available repayment options.</p> <p>The May Revision proposes BBL to transfer the administration of the initiative to CSAC. The BBL states that the initiative must consist of at least: (1) updating CSAC's website regarding borrowing and repayment options, comparing financial aid packages and other resources, (2) updating training curriculum and materials for financial aid counselors, (3) developing materials for students, (4) developing a student loan awareness partnership network, (5) providing grants to nonprofit organizations to offer debt counseling, (6) developing materials and providing training to the California Student Opportunity and Access Program (Cal-SOAP), and (7) partnering with the State Treasurer's Office on state refinancing programs and public loan forgiveness.</p>	<p>The proposed BBL lacks key information, such as, how many grants will be distributed, the award amounts, and other specifics regarding how much funding is needed to create materials and updating the website. Additionally, the BBL does not specify what the purpose of the partnership between the State Treasurer's Office is with CSAC and what the funds would be used for.</p>	BBL	Reject.
74	Middle Class Scholarship Caseload Estimates	<p>The January budget revised the cost estimate for Middle Class Scholarships upward in 2018-19 by \$1.6 million (1.6 percent). Compared with the revised 2018-19 level, the administration projects a \$2.9 million (2.8 percent) increase in 2019-20. The May Revision proposes an increase of \$4.39 million to reflect revised estimates for the program. In addition, the May Revision proposes trailer bill language to adjust the statutory amount to align with program estimates.</p>		BBL/TBL	Approve as proposed.

## 6980 - California Student Aid Commission (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
75	Military Department GI Bill Award Program and the Law Enforcement Personnel Depedents Scholarship Program	<p>The May Revision requests an increase of \$118,000 in reimbursement authority to reflect an updated agreement between CSAC and the Military Department for the GI Bill Award Program.</p> <p>The May Revision requests an increase of \$26,000 for the Law Enforcement Personnel Dependents Scholarship Program to reflect updated estimates.</p>		BBL	Approve as proposed
76	Private Nonprofit Cal Grant Award	The May Revision proposes trailer bill language to extend the timeframes by one-year 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 atleast 2,000 ADTs in 2019-20, 3,000 ADTs in 2020-21, and 3,500 ADTs in 2021-22. Additionally, the trailer bill also amends the deadline for specified reporting requirements by one-year each.		TBL	Approve as proposed.
77	Loan Assumption Programs	<p>Assumption Program of Loans for Education (APLE). The May Revision requests a decrease of \$265,000 to reflect revised cost estimates for the program.</p> <p>State Nursing Assumption Program of Loans for Education (SNAPLE). The May Revision requests a decrease of \$46,000 to reflect changes consistent with revised estimates of the cost of the program.</p>		BBL	Approve as proposed.

## 0650 - Office of Planning and Research (Vote Only)

Issue	Subject	Description	Comments	Language	Staff Recommendation
78	Innovation in the San Joaquin and Inland Empire regions	The Budget proposes \$10 million General Fund one-time to support grants to education institutions to implement innovative educational strategies in the San Joaquin and Inland Empire regions of the state. The May Revision includes BBL which states that the innovation should emphasize: (1) programs that align secondary and postsecondary programs, (2) programs that reduce achievement gaps, (3) programs capable of creating multi-generational culture of educational attainment by focusing on strategies to improve completion of a degree or certificate, increasing potential earnings and ending the cycle of poverty. Additionally requires that OPR report to the Legislature a summary of grant activities, and by January 1, 2022, OPR must report to DOF and JLBC on a summary of student outcomes.	The LAO notes that this appears to be similar to the innovation awards which the state provided funding for in 2014-15 which the state still has not received outcomes data on. Additionally, it is unclear if these awards are for programs that are currently in place or to create new programs. The state has made significant investments in this area, through the Graduation Initiative, Student Success and Completion Program, Student Equity and Achievement Program, Guided Pathways as well as the Local Control Funding Formula. It is unclear why education institutions are not using those funds to support similar type of activities, and why this is targeted only to one particular region in the state.	BBL	Approve as proposed.

## 6440 University of California (Discussion/Vote)

Issue	Subject	Description	Comments	Language	Staff Recommendation
79	UC Retirement Plan (UCRP)	<p>The May Revision proposes \$25 million one-time General Fund to support the UCRP. The proposed BBL specifies that the funds will be used to address UCRP's unfunded liability. This funding must be used to supplement and not supplant funds otherwise used to pay for the unfunded liabilities. Additionally, BBL specifies that this appropriation does not constitute an obligation on behalf of the state to appropriate subsequent funds to the UCRP.</p> <p>The 2016-17 budget provided \$171 million one-time Proposition 2 funds to pay down the unfunded liability of the UC Retirement Plan. This is the second of three proposed payments from Proposition 2 to UC for this purpose. The 2015-16 budget provided UC with \$96 million for its pension liabilities. As a condition of this funding, the UC Regents were to establish a retirement program that limits pensionable compensation consistent with the Public Employees' Pension Reform Act of 2014, no later than June 30, 2016. At the March 2016 UC Regents board meeting, the UC Regents adopted changes to its retirement plan for new employees hired on or after July 1, 2016.</p> <p>New employees can choose as their primary mandatory retirement benefit either a defined benefit plan (Pension Choice) or a defined contribution plan (Savings Choice), unless the employee is represented by a union with a contract specifying different benefits. Employees hired after July 1, 2016 can now choose as their primary mandatory retirement benefit either a defined benefit plan (Pension Choice) or a defined contribution plan (Savings Choice), unless the employee is represented by a union with a contract specifying different benefits.</p>	<p>As of July 1, 2018, the UCRP unfunded liability is approximately \$10 billion. Based on UCRP's current funding strategy, the unfunded liability will be eliminated by 2037.</p> <p>The LAO specifically recommends that the Legislature request two analyses—one assuming UCRP hits all of its investment assumptions (known as an “actuarial” analysis) and one that considers many possible investment and other future scenarios (known as a “stochastic” analysis).</p>	BBL	<p>Modify the Governor's proposal to require that prior to the release of funds, the UC must (1) submit an actuarial analysis verifying that offering a defined contribution option does not have an adverse impact on the unfunded liability of the defined benefit plan, and (2) submit an analysis regarding the impact that the defined contribution option has on the retirement security of low-wage workers at UC, such as gardeners and janitors.</p>

## 6440 University of California (Discussion/Vote)

Issue	Subject	Description	Comments	Language	Staff Recommendation
80	UC San Francisco Dyslexia Early Intervention Pilot Program	<p>The May Revision proposes \$3.5 million General Fund one-time to provide support for a dyslexia screening and early intervention pilot program operated by the UC San Francisco Dyslexia Center.</p> <p>This funding will support deployment of the application, instructor training, curriculum support and integration, and reporting . This funding will serve 15-20 public elementary schools statewide, serving approximately 1,500 to 2,000 students. The pilot program will train instructors on how to use the application.</p>		BBL	<p>Approve as proposed. Additionally, adopt reporting language regarding: (1) The number of participating schools, school districts, and students, (2) the number and percent of participating students who were diagnosed with a learning disability before the pilot compared to during the pilot year, (3) How the one-time state General Fund was spent, as well as how any additional private or other nonstate funds were used to fund the pilot, (4) The developed interventions resulting from the pilot, and (5) To the extent the results of the pilot are promising, a plan to expand the interventions in schools throughout the state. The plan should include the estimated cost of scaling the program statewide and identify all possible fund sources to cover this cost.</p>

## 6980 California Student Aid Commission (Discussion / Vote)

Issue	Subject	Description	Comments	Language	Staff Recommendation
81	Teacher Service Credit Scholarship Program	<p>The May Revision proposes \$89.75 million one-time General Fund and trailer bill language to create the Teacher Service Credit Scholarship Program.</p> <p>The program would provide a \$5,000 scholarship award to specified applicants. The applicant must agree to obtain or have obtained a teaching credential in the subjects of science, technology, engineering, and mathematics (STEM), CTE in STEM areas, special education, bilingual education or a multiple subject credential. Priority is given to applicants who teach at a "priority school," which is a school that has a high percentage of teachers holding emergency type permits.</p>	<p>As currently proposed, applicants do not need to have any student loan debt to qualify for the program. Additionally, applicants are not required to teach at priority schools to receive the award. Lastly, there is no reporting requirements regarding the outcomes or impact of this program.</p>	TBL	<p>Modify trailer bill language to at a minimum to: (1) require applicants to have student loan debt, (2) require awardees to teach at specified priority schools, and (3) require reporting to appropriate policy and fiscal committees of the Legislature regarding outcomes of the program, such as the number of awards, the average student loan debt amount, the number of specified credentials obtained, information regarding priority schools and districts. Trailer bill language to be modified, as necessary.</p>

## Attachment 1 – Community College Capital Outlay Projects

### Chancellor’s Office Approved Capital Outlay Projects (dollars in millions)

College	Project	Priority Category <sup>a</sup>	2019-20 State Cost <sup>b</sup>	All Years	
				State Cost	Total Cost
Folsom Lake	Instructional buildings phase 2	2	\$1.3	\$31.4	\$58.5
Mount San Jacinto	Math and Sciences building	2	1.6	26.8	50.7
Clovis	Applied Technology building	2	1.8	26.1	49.9
Irvine Valley	Fine arts building	2	1.6	23.2	45.1
Long Beach City	Music/theatre complex	2	1.7	23.2	44.6
Mount San Jacinto	Science and Technology building	2	1.9	23.2	44.1
Santa Barbara City	Physical education replacement	1	3.2	41.1	41.9
West Valley	Learning resource center renovation	3	1.6	19.9	40.1
Los Rios (Natomas Education Center)	Natomas Center phases 2 and 3	2	0.9	27.8	39.4
Woodland	Performing arts facility	4	1.4	19.4	37.7
West Hills Lemoore	Instructional Center phase 1	2	1.6	23.4	31.7
Kern (Delano Center)	LRC multipurpose building	2	1.2	16.1	31.2
Laney	Theater buildings renovation	3	0.7	8.2	26.5
Chaffey	Instructional Building 1	2	1.0	13.0	26.1
Cerritos	Health Sciences Building 26 renovation	3	1.1	12.7	24.7
Merritt	Horticulture building replacement	3	0.8	10.1	24.5
Lake Tahoe	RFE and Science renovation	3	1.5	11.1	21.6
Porterville	Allied health building	2	0.8	10.9	20.8
Monterey Peninsula	Public safety center phase 1	4	0.7	9.2	19.1
Los Rios (Elk Grove Center)	Elk Grove Center phase 2	2	0.4	9.0	17.0
Reedley	New child development center	4	0.8	10.4	14.4
Cabrillo	Buildings 500, 600 and 1600 renovation	3	0.3	3.6	7.3
Monterey Peninsula	Music facilities phase 1 renovation	3	0.2	2.5	6.4
San Mateo	Water supply tank replacement	1	0.5	5.7	6.3
<b>Totals</b>			<b>\$30.3</b>	<b>\$434.9</b>	<b>\$789.6</b>

## Attachment 1 – Community College Capital Outlay Projects

### Five Capital Outlay Projects Construction Phase Funding in 2019-20 (In millions)

College	Project	Year Initially Approved	Estimated Construction Cost	
			State	Total
San Francisco (Ocean)	Utility infrastructure replacement <sup>a</sup>	2017-18	\$76.3	\$76.3
Pasadena City	Armen Sarafian building seismic replacement <sup>b</sup>	2017-18	53.5	55.5
Redwoods	Arts building replacement <sup>c</sup>	2018-19	22.2	22.2
Fullerton	Business 300 and Humanities 500 Renovation <sup>c</sup>	2017-18	15.7	30.1
San Francisco (Alemany Center)	Seismic and code renovations <sup>a</sup>	2017-18	14.4	14.4
<sup>a</sup> Both project delays and insufficient local match. <sup>b</sup> Insufficient local match. <sup>c</sup> Project delays. For Redwoods project, district demonstrated financial hardship and no local match is expected.				