

Senate Budget and Fiscal Review—Nancy Skinner, Chair

SUBCOMMITTEE NO. 1

Agenda

Senator John Laird, Chair
Senator Dave Min
Senator Lola Smallwood-Cuevas
Senator Rosilicie Ochoa Bogh



Tuesday, May 23, 2023
9:00 a.m.
1021 O Street - Room 2100
Part B- Higher Education
Consultant: Christopher Francis, Ph.D.

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OUTCOMES

- 1. Staff Recommendations Adopted, Vote: 4-0 for Issues 1-4, 7-21, 24, 26-65, 66A (funds)*, 67-69**
- 2. Staff Recommendations Adopted, Vote: 3-1 for Issues 5, 6, 22**
- 3. Staff Recommendations Adopted, Vote: 3-0, 1 Not Voting for Issues 23, 25, 66B (trailer bill)***

NOTE: Issue 66 was split into two votes: 66A (funds) and 66B (trailer bill)

Vote-Only Calendar

6440 UNIVERSITY OF CALIFORNIA (UC)
6610 CALIFORNIA STATE UNIVERSITY (CSU)
6870 CALIFORNIA COMMUNITY COLLEGES (CCC)

Issues 1-3: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
1.	January Governor’s Budget	Revolving Loan Fund Delay. The 2022 Budget Act included intent language to provide \$1.8 billion General Fund over a two-year period (\$900 million scored to 2023-24, and \$900 million scored to 2024-25) to establish a student housing revolving loan program for the UC, CSU, and CCCs. The Governor’s budget proposes delaying \$900 million planned in 2023-24 to the 2025-26 fiscal year and delaying \$250 million from the 2024-25 fiscal year to the 2025-26 fiscal year. This delay would result in \$650 million in 2024-25 and \$1.15 billion in 2025-26 being available for the program.	Modify Governor’s Budget proposal and instead provide \$1.15 billion General Fund over three years (\$383 million in each of 2023-24, 2024-25, and 2025-26).
2.	January Governor’s Budget with May Revision	Student Housing Grant Program Delay. The 2022 Budget Act allocated approximately \$1.4 billion one-time General Fund to CCC, CSU, and UC campuses and left \$750 million available in 2023-24 for this program. The Governor’s budget proposed \$500 million one-time General Fund for 2023-24 and shifting \$250 million one-time General Fund from 2023-24 to 2024-25 for affordable student housing projects. The May Revision instead proposes the following: <ul style="list-style-type: none"> • \$450 million one-time General Fund for 2023-24 and \$95.4 million one-time General Fund for 2024-25 for CCC affordable student housing projects. • Shift \$437 million in current and planned General Fund support for these UC affordable housing student grants to UC-issued bonds. To support the underlying debt service on those bonds, the May Revision includes an increase of \$30 million ongoing General Fund. • Shift \$655 million in current and planned General Fund support for these CSU affordable housing student grants to CSU-issued bonds. To support the underlying debt service on those bonds, the May Revision includes an increase of \$45 million ongoing General Fund. 	Approve May Revision proposal and adopt placeholder trailer bill language

3.	Senate Democratic Caucus	Cal Fresh campus-county data sharing. Proposes trailer bill language to require campuses to develop data sharing agreements with counties to improve student access to the Cal Fresh program.	Adopt placeholder trailer bill language and provisional budget bill language
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Staff Comment: Subcommittee No.1 on Education heard Student Housing issues on March 9, 2023, April 20, 2023, April 27, 2023, May 4, 2023, and May 17, 2023.

6120 CALIFORNIA STATE LIBRARY

Issues 4-8: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
4.	January Governor’s Budget	Delaying Support for Local Library Infrastructure. The Budget Act of 2021 provided \$439 million General Fund one-time to support local library infrastructure projects. The Budget Act of 2022 provided an additional \$50 million and assumed an additional \$100 million in 2023-24 to support local library infrastructure projects. The Governor’s budget proposes delaying the \$100 million to the 2024-25 (\$33 million), 2025-26 (\$33 million), and 2026-27 (\$34 million) fiscal years.	Approve as budgeted and adopt provisional budget bill language
5.	January Governor’s Budget	Support for Law Library. The Governor’s budget proposes an increase of \$462,000 General Fund ongoing to support and expand the Witkin State Law Library and its personnel.	Approve as budgeted
6.	January Governor’s Budget	California History Room. The Governor’s budget proposes an increase of \$597,000 General Fund, of which \$357,000 is ongoing, to expand the California History Room Special Collections and provide personnel support.	Approve as budgeted
7.	January Governor’s Budget	Internal Audit. The Governor’s budget proposes an increase of \$168,000 General Fund ongoing to support a State Library Audit Program.	Approve as budgeted
8.	Senate Democratic Caucus	Lunch at the Library Provisional Budget Bill Amendments. Changes the reporting date for the Lunch at the Library program from October 1 each year to January 15 each year and aligns reporting content with attainable data.	Approve this proposal

Staff Comment: Subcommittee No.1 on Education heard California State Library issues on April 27, 2023.

6440 UNIVERSITY OF CALIFORNIA (UC)

Issues 9-27: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
9.	January Governor’s Budget	Base Increase. The Governor’s budget proposes an increase of \$215.5 million General Fund ongoing for operating costs, representing a five-percent base increase in ongoing General Fund resources that is consistent with the Governor’s multi-year compact with UC.	Approve as budgeted and adopt provisional budget bill language
10.	January Governor’s Budget	Resident Undergraduate Enrollment Growth. Consistent with the Budget Act of 2021, the Governor’s budget includes an increase of \$30 million General Fund ongoing to offset revenue reductions associated with the replacement of 902 nonresident undergraduate students enrolled at three campuses with an equivalent number of California resident undergraduate students at these campuses in 2023-24. This investment builds on the previous \$31 million General Fund ongoing provided in the 2022 Budget Act that supported a shift of 902 nonresident students.	Approve as budgeted
11.	January Governor’s Budget	UC Riverside School of Medicine - Project Debt Service Support. Consistent with the 2019 Budget Act, the Governor’s budget includes an increase of \$6.5 million ongoing General Fund to support the Medical School Project at UC Riverside. Consistent with the 2019 Budget Act, the Administration’s fiscal plan also includes an additional \$14.5 million General Fund ongoing to support the Medical School Project at UC Merced beginning in 2024-25.	Approve as budgeted
12.	May Revision	UC Riverside School of Medicine - General Operations Support. The May Revision includes an ongoing \$2 million General Fund increase to support general operations at UC Riverside School of Medicine. The purposes of these funds are separate from the issue above.	Approve May Revision proposal
13.	January Governor’s Budget with May Revision modification	Graduate Medical Education. The Governor’s budget includes an increase of \$4 million General Fund ongoing to offset the Proposition 56 revenue offset amount for a statewide grant program and maintain \$40 million ongoing for graduate medical residency slots. The May Revision includes an ongoing increase of \$1.2 million General Fund to offset declining Proposition 56 revenue for a statewide grant program and maintain \$40 million in total ongoing for graduate medical residency slots.	Approve May Revision proposal

		<p>Proposition 56 – California Healthcare, Research and Prevention Tobacco Tax Act of 2016 – was passed by voters on the November 8, 2016 ballot and implemented a surcharge on tobacco tax products.</p> <p>Among the numerous programs supported with Proposition 56 funds, the measure requires \$40 million annually to go to UC for primary care physician post-graduate training programs (known as “graduate medical education”). UC uses the funds to support the CalMedForce program, which provides competitive grants to primary care graduate medical education programs throughout California. Under a memorandum of understanding with UC, Physicians for a Health California administers the grants.</p> <p>The measure also directs the state to reduce the amount of Proposition 56 funds going for UC graduate medical education in response to declining tobacco tax revenues. The objective of this provision is to prevent any one Proposition 56-funded program to be disproportionately impacted from declining revenues. The state has backfilled Proposition 56 funding reductions to CalMedForce with state General Fund, maintaining the program’s total level of support at \$40 million.</p>																
14.	January Governor’s Budget	<p>Institute for Immunology and Immunotherapy at the University of California, Los Angeles (UCLA) Delay. The Governor’s budget proposes a delay for \$200 million (\$100 million in 2022-23 and \$100 million in 2023-24) of the support for the construction of an Institute for Immunology and Immunotherapy at the University of California, Los Angeles (UCLA) to fiscal year 2024-25.</p> <table border="1" data-bbox="680 1078 1600 1414"> <thead> <tr> <th data-bbox="680 1078 1108 1268">Governor Proposes to Change Funding Schedule UCLA Project <i>(In Millions)</i></th> <th data-bbox="1108 1078 1234 1105">2022-23</th> <th data-bbox="1234 1078 1360 1105">2023-24</th> <th data-bbox="1360 1078 1486 1105">2024-25</th> <th data-bbox="1486 1078 1600 1105">Totals</th> </tr> </thead> <tbody> <tr> <td data-bbox="680 1268 1108 1357">Per 2022 Budget Act Agreement</td> <td data-bbox="1108 1268 1234 1357">\$200.0</td> <td data-bbox="1234 1268 1360 1357">\$200.0</td> <td data-bbox="1360 1268 1486 1357">\$100.0</td> <td data-bbox="1486 1268 1600 1357">\$500.0</td> </tr> <tr> <td data-bbox="680 1357 1108 1414">Governor’s January Budget Delay</td> <td data-bbox="1108 1357 1234 1414">\$100.0</td> <td data-bbox="1234 1357 1360 1414">\$100.0</td> <td data-bbox="1360 1357 1486 1414">\$300.0</td> <td data-bbox="1486 1357 1600 1414">\$500.0</td> </tr> </tbody> </table>	Governor Proposes to Change Funding Schedule UCLA Project <i>(In Millions)</i>	2022-23	2023-24	2024-25	Totals	Per 2022 Budget Act Agreement	\$200.0	\$200.0	\$100.0	\$500.0	Governor’s January Budget Delay	\$100.0	\$100.0	\$300.0	\$500.0	<p>Reject this proposal and shift all General Fund support for this project to UC-issued bonds. To support the underlying debt service on those bonds, includes \$33.334 million ongoing General Fund support.</p>
Governor Proposes to Change Funding Schedule UCLA Project <i>(In Millions)</i>	2022-23	2023-24	2024-25	Totals														
Per 2022 Budget Act Agreement	\$200.0	\$200.0	\$100.0	\$500.0														
Governor’s January Budget Delay	\$100.0	\$100.0	\$300.0	\$500.0														

<p>15.</p>	<p>January Governor’s Budget with May Revision modification</p>	<p>Shift in Capital Outlay Support for Select Projects. The Governor’s budget included a delay for \$83 million to support the UC Berkeley Clean Energy Campus project currently planned for fiscal year 2023-24 to 2024-25 and a delay for \$83 million to support campus expansion projects at UC Riverside and UC Merced currently planned for fiscal year 2023-24 to 2024-25.</p> <p>The May Revision instead shifts \$498 million in current and planned General Fund support for these aforementioned projects to UC-issued bonds. To support the underlying debt service on those bonds, the May Revision includes an increase of \$33.3 million ongoing General Fund.</p>	<p>Approve May Revision</p>
<p>16.</p>	<p>January Governor’s Budget</p>	<p>Transfer Admissions Guarantee at UCLA. As a condition of receiving a specified amount of state General Fund through the UC campus allocation model, the Governor’s budget proposes requiring UCLA to participate in the UC Transfer Admissions Guarantee Program to further facilitate students’ ability to transfer to UCLA.</p>	<p>Reject this proposal</p>
<p>17.</p>	<p>January Governor’s Budget</p>	<p>Associate Degree for Transfer at UCLA. As a condition of receiving a specified amount of state General Fund through the UC campus allocation model, the Governor’s budget proposes requiring UCLA to offer Associate Degree for Transfer program pathways to students seeking to transfer from a California Community College to UCLA.</p>	<p>Reject this proposal</p>
<p>18.</p>	<p>Senate Democratic Caucus “Protect Our Progress” Plan</p>	<p>Disability Supportive Programs. The Senate proposes \$1.5 million General Fund in 2023-24 and ongoing to be dispersed to disability specific programs across UC campuses.</p>	<p>Approve as proposed and adopt provisional budget bill language</p>
<p>19.</p>	<p>Senate Democratic Caucus “Protect Our Progress” Plan</p>	<p>Basic Needs Support Increase. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to support basic needs programs at UC campuses</p>	<p>Approve this proposal</p>

20.	Senate Democratic Caucus “Protect Our Progress” Plan	Mental health support services increase. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to support mental health support programs at UC campuses	Approve this proposal and adopt provisional budget bill language
21.	Senate Democratic Caucus “Protect Our Progress” Plan	Rapid Rehousing Baseline Increase. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to support rapid rehousing initiatives for UC students	Approve this proposal
22.	Senate Democratic Caucus “Protect Our Progress” Plan	Economic impact study. The Senate proposes \$250,000 General Fund one-time in 2023-24 for a study of oil and gas industry change on local services and jobs by UC Merced Labor Center.	Approve this proposal
23.	Senate Democratic Caucus “Protect Our Progress” Plan	Police Records Access Project. The Senate proposes \$6.87 million General Fund in 2023-24, with an expenditure or encumbrance period of three-years, to launch a collaborative database with built-in tools that would make records related to police use of force and misconduct accessible to all members of the public – including journalists, researchers, public officials, activists and community members – through an interface that allows easy and sophisticated search and analysis.	Approve this proposal
24.	May Revision	Support for UC Division of Agriculture and Natural Resources (UC ANR). The May Revision includes a shift of \$4.8 million from UC’s main appropriation to provide continued support for UC ANR.	Approve May Revision proposal
25.	May Revision	Ralph J. Bunche Center. The May Revision includes a one-time \$5 million General Fund increase for the Ralph J. Bunche Center for African-American Studies at the University of California, Los Angeles.	Approve May Revision proposal

26.	May Revision	UC Global Entrepreneurs. The May Revision increase a one-time \$2 million General Fund increase to pilot an entrepreneur in residence project for foreign-born entrepreneurs and UC students in support of job creation and fostering global talent for innovation in areas of need.	Reject without prejudice
27.	Senate Democratic Caucus	AB 132 (Committee on Budget), Chapter 144, Statutes of 2021 Sunset Extension. Proposes trailer bill language that amends Section 66021.9 of the Education Code by extending by four years, until June 30, 2027, the ability for UC to provide scholarships from non-state funds to students. This was previously extended in AB 132 until June 30, 2023.	Approve this proposal

Staff Comment: Subcommittee No.1 on Education heard issues related to UC on April 27, 2023, May 4, 2023, and May 17, 2023.

6600 UC COLLEGE OF THE LAW, SAN FRANCISCO (CLSF)

Issues 28-29: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
28.	January Governor's Budget	Base Adjustment. The Governor's budget proposes an increase of \$2.2 million General Fund ongoing to support operating costs. This represents a three percent increase base augmentation.	Approve as budgeted
29.	January Governor's Budget	Safety Program, Urban Alchemy. The Governor's budget proposes an increase of \$3 million, available over three years, to continue supporting a campus safety program that employs formerly incarcerated individuals and/or those who have experienced homelessness.	Approve as budgeted

Staff Comment: Subcommittee No.1 on Education heard CLSF issues on March 16, 2023.

6610 CALIFORNIA STATE UNIVERSITY (CSU)

Issues 30-40: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>														
30.	January Governor’s Budget	Base Increase. The Governor’s budget proposes an increase of \$227.3 million General Fund ongoing for operating costs, representing a five-percent base increase in ongoing General Fund resources that is consistent with the Governor’s multi-year compact with CSU.	Approve as budgeted and adopt provisional budget bill language														
31.	January Governor’s Budget with May Revision Modification	<p>Shift in Capital Support Funding. The Governor’s budget proposes shifting \$404.8 million appropriated for the upfront support of various capital projects on CSU campuses to CSU-issued bonds. The Governor’s budget includes \$27 million General Fund ongoing to support the underlying debt service on those bonds. The projects were as follows:</p> <table border="1" data-bbox="678 716 1600 1203"> <thead> <tr> <th data-bbox="678 716 1089 773">Campus</th> <th data-bbox="1089 716 1600 773">Project</th> </tr> </thead> <tbody> <tr> <td data-bbox="678 773 1089 824">Bakersfield</td> <td data-bbox="1089 773 1600 824">New Energy Innovation Center</td> </tr> <tr> <td data-bbox="678 824 1089 881">San Diego (Brawley center)</td> <td data-bbox="1089 824 1600 881">New STEM building</td> </tr> <tr> <td data-bbox="678 881 1089 971">San Bernardino (Palm Desert center)</td> <td data-bbox="1089 881 1600 971">New student services building</td> </tr> <tr> <td data-bbox="678 971 1089 1060">Chico, Fresno, Pomona, San Luis Obispo</td> <td data-bbox="1089 971 1600 1060">University farms facilities and equipment</td> </tr> <tr> <td data-bbox="678 1060 1089 1149">Fullerton</td> <td data-bbox="1089 1060 1600 1149">New Engineering and Computer Science Innovation Hub</td> </tr> <tr> <td data-bbox="678 1149 1089 1203">San Luis Obispo</td> <td data-bbox="1089 1149 1600 1203">Swanton Pacific Ranch rebuilding</td> </tr> </tbody> </table> <p>Restoration of General Fund Support for University Farms. The May Revision restores \$75 million General Fund support for these projects included in the 2022 Budget Act. The January Governor’s budget previously shifted fund support from General Fund to CSU-issued bonds but some expenditures for this purpose were determined to be ineligible for CSU-issued bonds.</p>	Campus	Project	Bakersfield	New Energy Innovation Center	San Diego (Brawley center)	New STEM building	San Bernardino (Palm Desert center)	New student services building	Chico, Fresno, Pomona, San Luis Obispo	University farms facilities and equipment	Fullerton	New Engineering and Computer Science Innovation Hub	San Luis Obispo	Swanton Pacific Ranch rebuilding	Approve shift in capital support funding proposals from the Governor’s budget except University Farms. Approve the May Revision proposal for University Farms
Campus	Project																
Bakersfield	New Energy Innovation Center																
San Diego (Brawley center)	New STEM building																
San Bernardino (Palm Desert center)	New student services building																
Chico, Fresno, Pomona, San Luis Obispo	University farms facilities and equipment																
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San Luis Obispo	Swanton Pacific Ranch rebuilding																

32.	Senate Democratic Caucus “Protect Our Progress” Plan	Disabled Student Supports. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to be dispersed to disability specific programs across CSU campuses.	Approve as proposed and adopt provisional budget bill language
33.	Senate Democratic Caucus “Protect Our Progress” Plan	Basic needs support increase. The Senate proposes \$1.5 million General Fund in 2023-24 and ongoing to support basic needs programs at CSU campuses	Approve as proposed
34.	Senate Democratic Caucus “Protect Our Progress” Plan	Mental health support services increase. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to support mental health support programs at CSU campuses	Approve as proposed and adopt provisional budget bill language
35.	Senate Democratic Caucus “Protect Our Progress” Plan	Rapid rehousing increase. The Senate proposes \$1 million General Fund in 2023-24 and ongoing to support rapid rehousing initiatives for CSU students	Approve as proposed
36.	Senate Democratic Caucus “Protect Our Progress” Plan	CalFresh outreach support. The Senate proposes \$1 million General Fund per year for three years starting in 2023-24 to Center for Healthy Communities at CSU Chico to address the continued crisis of food insecurity on college campuses	Approve as proposed
37.	Senate Democratic Caucus “Protect	CSU San Bernardino Master Of Science in Physician Assistant program infrastructure project. The Senate proposed \$4.34 million one-time General Fund in 2023-24 for capital projects that will provide additional classroom and laboratory capacity to increase the class size from 40 students per cohort to 50 students per cohort each year.	Cover the cost of this project with CSU-issued bonds. To support the underlying debt

	Our Progress” Plan		service on this bond, the May Revision includes \$290,000 ongoing General Fund.
38.	May Revision	Shift in Finance Support for Cal Poly Humboldt. The May Revision shifts \$201 million General Fund support included in the 2021 Budget Act to support Cal Poly Humboldt Infrastructure projects to CSU-issued bonds. To support the underlying debt service on those bonds, the May Revision includes an increase of \$16 million ongoing General Fund.	Approve May Revision proposal
39.	May Revision	CSU Chico Human Identification Laboratory. The May Revision includes an increase of \$3.1 million General Fund in 2023-24 and ongoing to support the construction of the Human Identification Laboratory at CSU Chico’s campus through the issuance of CSU bonds.	Approve May Revision proposal
40.	Senate Democratic Caucus	CSU Dominguez Hills. Provides \$15 million General Fund one-time in 2023-24 to support this campus.	Approve this proposal

Staff Comment: Subcommittee No.1 on Education heard issues related to CSU on March 9, 2023, May 4, 2023, and May 17, 2023.

6870 CALIFORNIA COMMUNITY COLLEGES (CCC)

Issues 41-59: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
41.	May Revision	Local Property Tax Adjustment. The May Revision includes a decrease of \$19.6 million ongoing Proposition 98 General Fund as a result of increased offsetting local property tax revenues.	Adopt Senate plan, which provides an additional \$142.7 million ongoing from using LAO’s local property tax estimate
42.	January Governor’s Budget with May Revision modification	Apportionments Cost-of-Living Adjustment. The May Revision includes an increase of \$25.4 million ongoing Proposition 98 General Fund to reflect a change in the cost-of-living adjustment for apportionments from 8.13 to 8.22 percent. This amount is in addition to an increase of \$652.6 million ongoing Proposition 98 General Fund included in the Governor’s budget.	Approve May Revision
43.	Senate Democratic Caucus	<p>CCC Recovery Block Grant. Proposes trailer bill language that creates a flexible block grant. This block grant allows districts to spend among the following purposes:</p> <ul style="list-style-type: none"> • Recruitment and retention initiatives • All purposes within the 2022-23 CCC COVID-19 Recovery Block Grant, effectively folding this grant into the CCC Recovery Grant, and • Deferred Maintenance <p>The amount available for this grant would be \$753.554 million one-time Proposition 98, with five years to spend on the above purposes. This amount comes from rejecting the May Revision reduction to the COVID-19 block grant and adding \$103.554 million one-time Proposition 98 from the 2022-23 Recruitment and Retention initiative.</p>	Adopt placeholder trailer bill language

		Staff Comment: Issues 43-47 contain staff’s recommended actions and scoring of funding related to this block grant and the budget year apportionments shortfall backfill.	
44.	January Governor’s Budget with May Revision modification	Recruitment and Retention Initiatives. The Governor’s budget includes an increase of \$200 million Proposition 98 General Fund one-time to continue to support community college efforts and focused strategies to increase student retention rates and enrollment. The May Revision decreases the January Governor’s budget proposal by \$100 million one-time Proposition 98 General Fund. The cumulative total proposed due to this revision is \$100 million one-time Proposition 98 General Fund.	Reject the May Revision and Governor’s budget proposals. Reduce the amount provided in 2022-23 for recruitment and retention by \$46.446 million Proposition 98 General Fund.
45.	January Governor’s Budget with May Revision modification	Deferred Maintenance. The May Revision includes an additional decrease of approximately \$239 million one-time Proposition 98 General Fund for deferred maintenance needs, for a total reduction of \$452 million one-time Proposition 98 General Fund when combined with the reduction proposed in the Governor’s budget. These adjustments reflect revised estimates of available Proposition 98 resources.	Approve May Revision
46.	May Revision	California Community College COVID-19 Recovery Block Grant Decrease. The May Revision includes a decrease of approximately \$345 million one-time Proposition 98 General Fund in support of the California Community College COVID-19 Recovery Block Grant, bringing the block grant amount to \$305 million one-time Proposition 98 General Fund.	Reject this proposal
47.	May Revision	Funding Budget Year Apportionments with One-Time Resources. The May Revision uses \$503 million in one-time Proposition 98 General Fund to support Student-Centered Funding Formula costs for 2023-24.	Adopt the Senate’s plan to address budget year shortfall. Staff Comment: See attached Proposition 98 worksheet that contains CCC actions

48.	January Governor's Budget with May Revision modification	CCC Categorical Program COLA. The May Revision includes an additional ongoing \$3 million Proposition 98 General Fund increase for select categorical programs and the Adult Education program to provide an 8.22 percent COLA. The January Governor's budget included an increase of \$92.5 million Proposition 98 General Fund ongoing to provide an 8.13-percent COLA for the Adult Education Program, apprenticeship programs, CalWORKs student services, campus child care support, Disabled Students Programs and Services, Extended Opportunity Programs and Services, and mandates block grant.	Approve May Revision
49.	January Governor's Budget with May Revision modification	Enrollment Growth. The Governor's budget proposes \$28.8 million Proposition 98 General Fund ongoing to support 0.5-percent enrollment and the May Revision decreases this by \$2.4 million ongoing Proposition 98 General Fund to sustain the 0.5-percent enrollment growth.	Approve May Revision proposal
50.	January Governor's Budget	Workforce Training Grants. The Governor's budget proposes an increase of \$14 million reappropriated Proposition 98 General Fund one-time to support the administration of workforce training grants in collaboration with the California Department of Forestry and Fire Protection.	Approve as budgeted
51.	January Governor's Budget	Chief Business Officer Mentorship Program. The Governor's budget includes an increase of \$275,000 Proposition 98 General Fund, of which \$200,000 is ongoing, to develop a community college chief business officer professional learning program run through the Fiscal Crisis and Management Assistance Team to improve community college district leadership capacity and fiscal accountability.	Approve as budgeted
52.	Senate Democratic Caucus "Protect Our Progress" Plan	Debt Free College for CCC current and former foster youth. The Senate proposes \$14 million Proposition 98 General Fund in 2023-24 and ongoing and trailer bill language to amend the Student Success Completion Grant program so that students who are current or former foster youth committing to a certain number of units of coursework have their total cost of attendance covered.	Approve as proposed and adopt placeholder trailer bill language

53.	Senate Democratic Caucus “Protect Our Progress” Plan	Associate Degree in Nursing programs at CCC. The Senate proposes \$60 million per year, starting in 2024-25 for at least five years to grow, educate, and maintain the next generation of registered nurses through the community college system.	Approve as proposed and adopt placeholder trailer bill language
54.	May Revision	Categorical Program Statutory Changes to Meet CCC Roadmap Goals. The May revision includes trailer bill language that allows all CCC districts to spend flexibly amongst the following categorical programs beginning in 2023-24: Student Equity and Achievement Program, Student Financial Aid, and Student Mental Health Resources. The proposed language would direct the CCC Chancellor’s Office to assess district-level progress towards the roadmap goals. CCC districts that do not hit their goals will have their flexible spending authority revoked and would be offered technical assistance.	Reject this proposal
55.	May Revision	LGBTQ+ Pilot Project. The May Revision includes \$10 million Proposition 98 General Fund a year for three years to support the LGBTQ+ Pilot Project.	Approve as budgeted
56.	May Revision and Senate Democratic Caucus “Protect Our Progress” Plan	Los Angeles Community College District Small Business Entrepreneurship and Innovation Center at East Los Angeles College. The May Revision includes one-time \$2.5 million Proposition 98 General Fund to support this center.	Approve as budgeted
57.	May Revision	Student Success and Completion Grant Program Adjustment. The May Revision includes a decrease of \$50 million one-time Proposition 98 General Fund to reflect revised program participation. This brings the total support for the program to \$362.6 million General Fund in 2023-24.	Approve as budgeted
58.	May Revision	CCC Facilities. The May Revision includes General Obligation funding of \$232 million one-time for the construction phase of 12 projects and the design phases of two projects. Two projects with new funding will have previously authorized funding reverted. Of the \$232 million, \$121 million represents the next installment of the \$2 billion available to the CCCs under Proposition 51 and \$111 million is from older bonds measures.	Approve as budgeted

59.	May Revision	CCC Strong Workforce Program (SWP). Proposes trailer bill language stating that districts may use their SWP funds (1) to enhance student services, (2) to cover fees charged by a third party for student certifications and licensing, and (3) for work-based learning.	Adopt placeholder trailer bill language
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Staff Comment: Subcommittee No.1 on Education heard issues related to CCC on April 20, 2023, May 4, 2023, and May 17, 2023. The above proposals in this section are Proposition 98 General Fund.

6980 CALIFORNIA STUDENT AID COMMISSION

Issues 60-69: Various Proposals

<u>Issue</u>	<u>Origin</u>	<u>Description</u>	<u>Staff Recommendation</u>
60.	January Governor’s Budget	Middle Class Scholarships. Consistent with the Budget Act of 2022, the Governor’s budget includes an increase of \$227 million General Fund one-time to support a modified version of the Middle Class Scholarship that will focus resources toward reducing a student's total cost of attendance.	Approve the Governor’s proposed \$227 million General Fund in 2023-24 and include \$289 million General Fund in 2024-25 to maintain efforts to reach goal of Debt Free College per the Senate Democratic Caucus’ “Protect Our Progress Plan.”
61.	January Governor’s Budget	Cybersecurity. The Governor’s budget includes an increase of \$1.4 million General Fund in 2023-24, of which \$469,000 is ongoing, to assess CSAC's current information technology system, address cybersecurity issues, and support two positions.	Approve as budgeted
62.	January Governor’s Budget	Financial Aid Programs. The Governor’s budget includes an increase of \$241,000 ongoing for one position at CSAC to support human resources and to distribute toolkits to high schools to help students complete their financial aid applications. The May Revision includes an additional increase of \$397,000 General Fund in 2023-24 and ongoing currently unallocated for four positions at the California Student Aid Commission to support financial aid programs. Combined with the Governor’s budget, this augmentation provides the California Student Aid Commission \$638,000 for four positions beginning in 2023-24 to support financial aid workload.	Approve May Revision proposal
63.	January Governor’s Budget with	Golden State Education and Training Grant Program Elimination. The Governor’s budget assumes, consistent with estimated program expenditures, that \$100 million General Fund provided for the program, that was previously assumed to be spent in 2021-22, will be spent in 2024-25 and that \$200 million, \$100 million, and \$100 million would	Approve May Revision proposal

	May Revision modification	<p>be expended in fiscal years 2024-25, 2025-26, and 2026-27, respectively.</p> <p>As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision now proposes a decrease of \$480 million one-time General Fund to wind down the Golden State Education and Training Program at the end of the 2022-23 fiscal year.</p>	
64.	Senate Democratic Caucus “Protect Our Progress” Plan	<p>Debt Free College for current and former foster youth attending UC and CSU. The Senate proposes \$15 million General Fund in 2023-24 and ongoing and placeholder trailer bill language to expand eligibility for the Middle Class Scholarship for foster youth. Changes in trailer bill language would remove the work contribution and cover the total cost of attendance for CSU and UC students who are current or former foster youth.</p>	Approve this proposal
65.	May Revision	<p>Cal Grant Program Caseload Adjustments. The May Revision reflects updated Cal Grant expenditures based on the latest estimates of enrollment of Cal Grant-eligible students. In total, the May Revision reflects estimated Cal Grant expenditures of approximately \$2.2 billion in 2021-22, \$2.3 billion in 2022-23, and \$2.3 billion in 2023-24.</p>	Approve May revision proposal
66.	May Revision	<p>Golden State Teacher Grant Program. The May Revision includes an increase of \$6 million one-time federal funds to support grants to students enrolled in a special education teacher preparation program at high-need school sites. (CSAC would receive the funding as reimbursements from the California Department of Education.) This funding would supplement the \$98 million state General Fund provided to CSAC for the program in 2023-24.</p> <p>As well, this proposal includes trailer bill. Initially, the Governor’s January budget proposed language changed the priority school service requirement for grant recipients and expanded program eligibility to students pursuing certain child development permits—specifically for master teachers, site supervisors, and program directors. The May Revision amends trailer bill language proposed in February by:</p> <ul style="list-style-type: none"> • Rescinding the expansion that would have allowed grant recipients to teach in non-high-priority schools. 	Modify proposal to reject trailer bill language expanding eligibility to students enrolled at certain online higher education providers based outside California, as determined by the Labor Secretary, and adopt placeholder trailer bill language.

		<ul style="list-style-type: none"> • Clarifying a school deemed a priority school when the grant recipient began working there satisfies service requirement. • Clarifying students in undergraduate teacher preparation programs are eligible for program. • Expanding eligibility to students enrolled at certain online higher education providers based outside California, as determined by the Labor Secretary. 	
67.	May Revision	Cash for College. The May Revision includes an increase of \$103,000 General Fund in 2023-24 and ongoing currently unallocated in the California Student Aid Commission's budget to support the Cash for College program, a longstanding program that offers workshops to help students complete their financial aid applications.	Approve May Revision proposal
68.	Senate Democratic Caucus	Cal Grant Priority Application Deadline Extension. Proposes trailer bill language that would extend the Cal Grant priority deadline given the pending but delayed launch of new simplified, federal <i>Free Application for Federal Student Aid</i> (FAFSA) forms. The federal FAFSA Simplification Act will be a significant overhaul of the processes and systems used to award federal student aid starting with the 2024–25 award year. Traditionally, Oct. 1, 2023 would be the launch date for the 2024-25 FAFSA period but recent communications with the state suggest that a delay to January 1, 2024 could occur. Because of the delayed launch and uncertainty, a filing period that is up to three months shorter may occur and result in more students without Cal Grant that would have otherwise qualified.	Adopt placeholder trailer bill language
69.	Senate Democratic Caucus	Middle Class Scholarships Clean Up. Proposes trailer bill language that exempts emergency housing assistance and emergency basic needs assistance from the MCS funding calculation. The amount of MCS that a student is eligible for is a function of the other institutional gift aid (including basic needs awards and other emergency aid) that a student receives. As a result, any student receiving basic needs/rapid rehousing/other emergency aid will have a reduced MCS 2.0 award amount. This language would correct this issue.	Adopt placeholder trailer bill language

Staff Comment: Subcommittee No.1 on Education heard issues related to the CA Student Aid Commission on March 16, 2023, May 4, 2023, and May 17, 2023.