

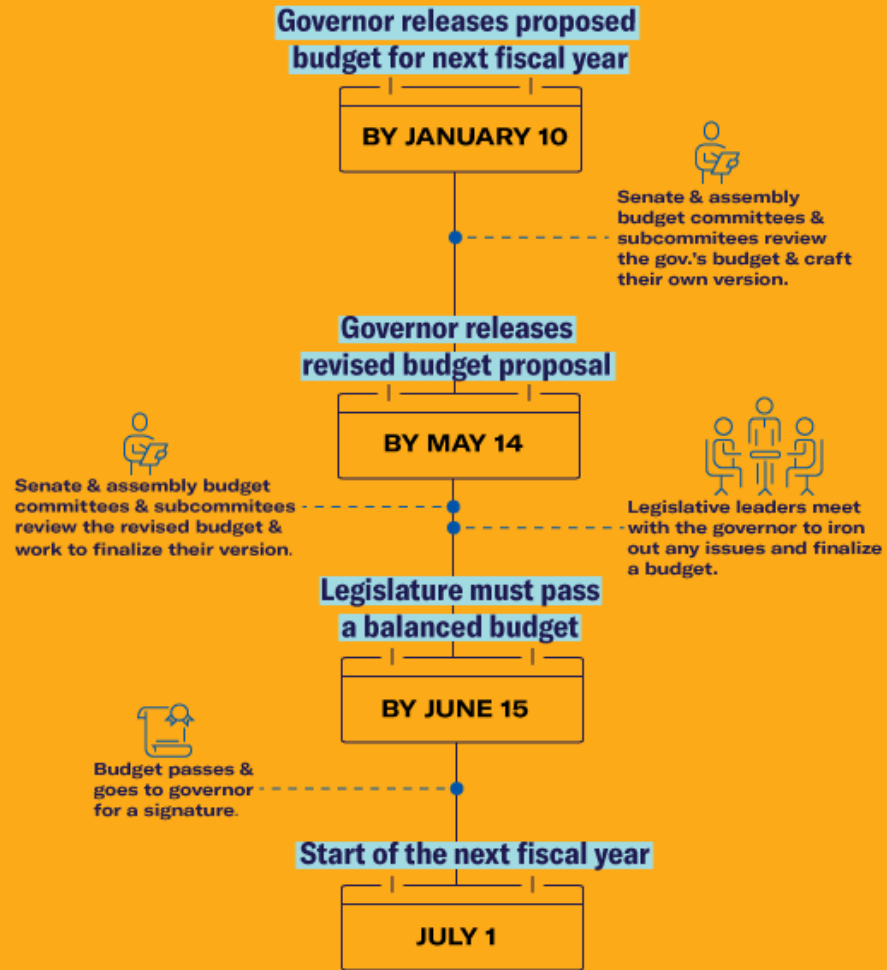


Foothill – De Anza Community College District

February 3, 2025 – Board Presentation

Presenter: Mark MacDonald, MGI Advocacy

THE STATE BUDGET PROCESS



State Budget Process



Legislative Process

Legislative Calendar



Bills Introduced

Policy Committees

Fiscal Committees

Floor Votes

Bills Sent to Governor

Bills Vetoed or Signed

- **January - March**

- **March-May**
(1st House)
- **June - July**
(2nd House)

- **May**
(1st House)
- **August**
(2nd House
"Suspense")

- **June**
(1st House)
- **September**
(2nd House)

- **September**

- **October**

Budget Update



Budget Proposal

Overall Framework



- Modest Surplus of \$363 million.
- \$16.9 billion in total remaining reserves.
- Revenues up by \$16.5 billion.
- \$2.7 billion proposed spending from climate bond.
- \$1.5 billion proposed spending from school bond for K-12 and \$51.5 million for community colleges.
- Proposed changes to the state appropriations limit (SAL).

Budget Proposal

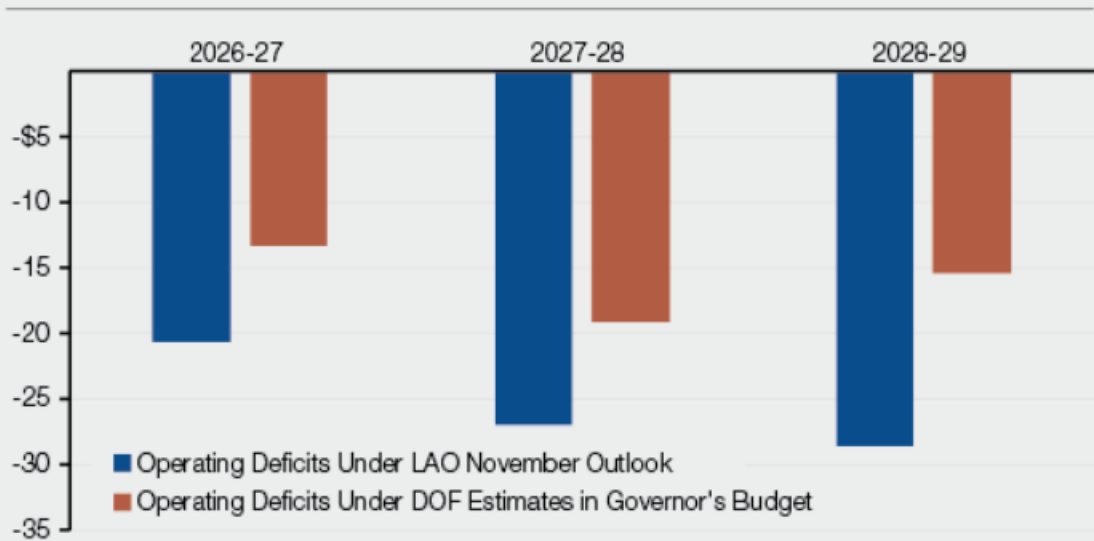
Out-Year Budget Estimates



Figure 2

Multiyear Deficits Persist

LAO and DOF Estimates of Multiyear Budget Condition (In Billions)



DOF = Department of Finance.

LAOA

- Under Governor's proposal, budget generally balanced in 2024-25 and 2025-26.
- However, under the Governor's scenario and the LAO projections, out-year structural deficits remain.

Budget Proposal

Compared to LAO



Revenue Estimates higher by
\$9 billion

Prop. 98 Spending \$5 billion
higher

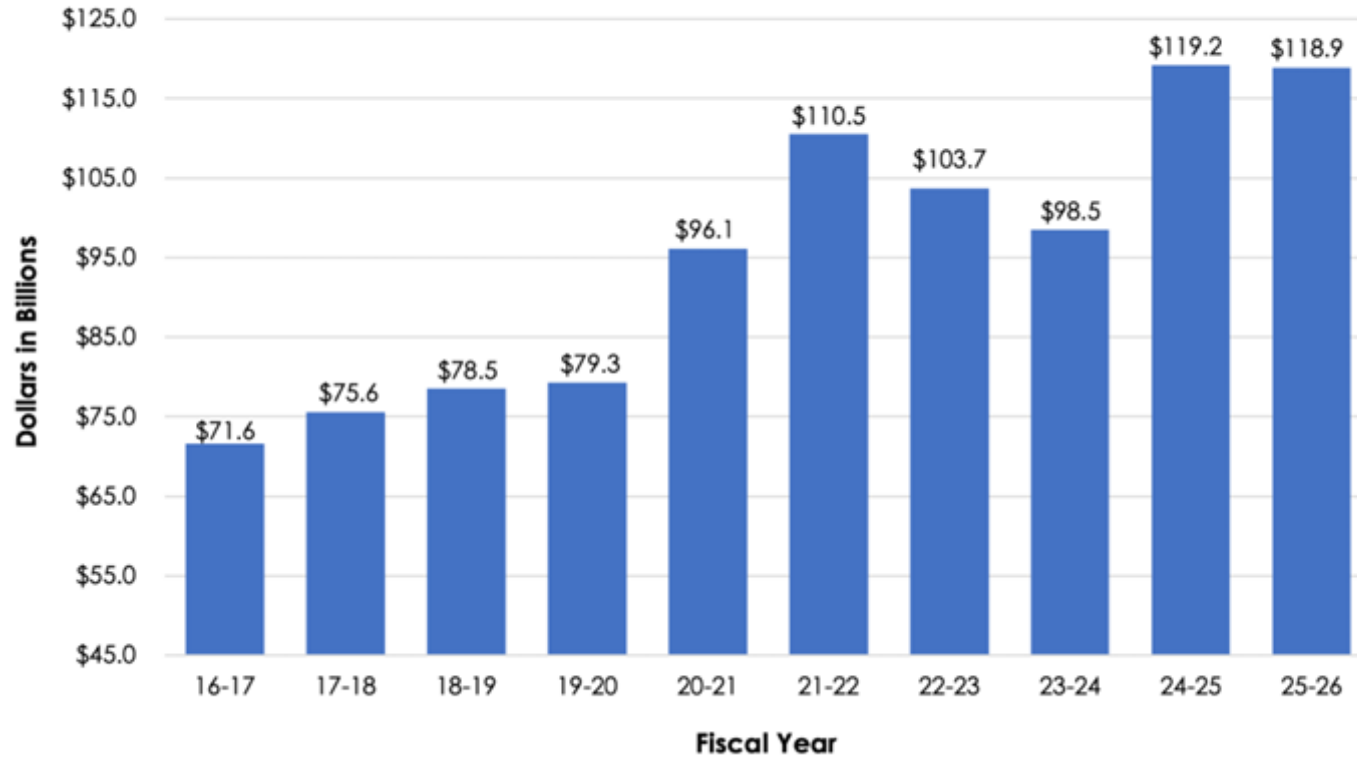
All other spending lower by
\$600 million

Budget Proposal

Proposition 98



Proposition 98 Funding
2025-26 Governor's Budget



Budget Proposal

Proposition 98



What is Proposition 98?

- Set of **formulas** establishing a minimum annual funding level for K-12 schools and community colleges.

- ❑ Creates \$1.6 billion Proposition 98 settle-up obligation to be addressed either at the May Revision or later.
- ❑ Could be impacted by tax extension for those in the fires.

Budget Proposal

California Community Colleges



Budget Item	Amount
COLA (Apportionments)	2.43% (\$230.4 million)
Growth	0.5% (\$30.4 million)
Technology Transformation Project	\$168 million (one-time)
Common Cloud Data Platform	\$162.5 million (\$29 million ongoing)
Credit for Prior Learning	\$100 million (one-time)
Rising Scholars Program	\$30 million (ongoing)
COLA (Categorical & Adult Education)	\$28.7 million
Deferral	\$247 million from 2024-25 to 2025-26 paid off

Budget Proposal

Masterplan for Career Education



- \$1.8 billion TK-12 block grant that can be used for Student Support and Professional Development – Including Dual Enrollment.
- \$10 million for Credit for Prior Learning at the State Chancellor's Office
- \$5 million for Coordinating Commission between TK-12, Higher Education, Economy and Labor.
- \$4 million (one-time) to support local coordination.

Budget Proposal Analysis



- Budget under-appropriates Proposition 98 by approximately \$1.6 billion.
- Significant amounts of resources allocated to the community colleges.
- Approximately \$430 million in funding.
- Not much of the funding actually goes to support community colleges.

Legislative Update



Vetoed Bills in 2024

Allied Health



- AB 2104 (Soria) – Baccalaureate Degree in Nursing.*
- SB 895 (Roth) – Baccalaureate Degree in Nursing.*

New Laws Impacting Community Colleges in 2025

Brown Act



- AB 1855 (Arambula) – Open meetings: teleconferences: community college student body associations and student-run organizations

New Laws Impacting Community Colleges in 2025



Campus Safety

- AB 1524 (Lowenthal) – Postsecondary education: drug testing devices.
- AB 1841 (Weber) – Student safety: opioid overdose: student housing.
- AB 2096 (Petrie-Norris) – Restraining orders

New Laws Impacting Community Colleges in 2025

Title IX



- AB 2048 (Fong) – Community Colleges: sexual harassment: report.
- AB 2407 (Hart) – Sexual harassment complaints: state audit.
- AB 2326 (Alvarez) & AB 2925 (Friedman) – Equity in Higher Education Act
- SB 791 (McGuire) – Disclosure of sexual harassment.

New Laws Impacting Community Colleges in 2025

Financial Aid



- AB 1885 (Addis) – Extend Student Success and Completion Grant to DSPS students that are taking 9 or more units and are considered full-time.
- AB 2033 (Reyes) – Requires CCCs to request authorization for one general on campus store be designated an electronic benefit transfer (EBT) authorized retail food store.

New Laws Impacting Community Colleges in 2025

Courses and Programs



- AB 2057 (Berman) – Associate Degree for Transfer
- SB 1244 (Newman) – Pupil instruction: CCAP programs.
- SB 1348 (Bradford) – Designation of California Black-Serving Institutions

Other Actions



- Transfer Audit – Including UC and CSU
- 50% Law Audit
- EO on Master Plan on Career Education

Issues for 2025



- Funding for Cyber Warfare Campus
- Coder Academy

Issues for 2025



- COLA & Base Apportionment Increase
 - Full COLA for apportionments and all categorical programs
 - Additional COLA on base allocation

Issues for 2025



- Student Support block Grant
 - Dream Resource Centers
 - LGBTQ+ Safe Spaces
 - Legal Services for Undocumented Students
 - Mental Health Services
 - Rapid Rehousing Resources
 - Financial Aid Services

Issues for 2025



- Funding Formula

- Funding floor kicks in for community colleges in 2025-26.
- Changing threshold on Promise (BOG Waiver) Grant

Issues for 2025



- Cal Grant Issues

- The framework is in statute, it needs to be properly funded.
- Would create a Cal Grant 2 for community colleges and a Cal Grant 4 for four-year institutions.
- Push to increase Cal Grant C.

Issues for 2025



- Budget Requests (System Office)
 - Funding for Financial Aid Offices
 - Systemwide Common Data Platform
 - Credit for Prior Learning
 - Rising Scholars Network
 - Burden-Free Instructional Materials

Issues for 2025



- Nursing/BA Degree Expansion
 - Clinical placement Issues
 - Discussion on reintroduction of SB 895 & AB 2104

Issues for 2025



- Part-Time Faculty

- Funding to increase healthcare options to part-time faculty.
- Sustainable and reliable statewide pool.
- Part-Time faculty office hours.

Issues for 2025



- System Request on Legislation/Regulations
 - CalFresh Master Memorandum of Understanding
 - Eliminate Structural Barriers to Residency
 - Climate & Fire Management Training (Climate Bond)
 - Microgrids for CCC (Climate Bond)
 - Apprenticeship Initiative Funds for Instructional Materials

Bill Introductions



- AB 9 (Quirk-Silva) – Transfer Students
- AB 65 (Aguiar-Curry) – Paid parental leave
- AB 79 (Arambula) – Basic Needs Coordinators
- AB 88 (Ta) – Cal Grant eligibility for Military
- AB 90 (Jackson) – Overnight in student parking lot
- AB 95 (Fong) – Postsecondary Education Coordinating Commission

Politics of 2025



- Speaker and Pro Tem remain the same
- Budget committee chairs and Budget Subcommittee on Education chairs remain the same.
- Assembly Higher Education Committee Chair remains the same. Senator Perez Chair of Senate Education.
- Democrats still dominate makeup of Legislature.

Politics of 2025

Statewide Elections



- Proposition 2 – passes.
 - De Anza College Physical Education Complex Renovation proposed for funding
- Proposition 4 – passes.
- 30 new legislators sworn in during Organizational Session on December 2nd (also special session started on this date)



SACRAMENTO UPDATE

Questions/Discussion

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