

2022-23 State Budget Proposal

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California Community Colleges—SCFF

- Governor's Budget proposes \$409.4 million to fund the estimated 5.33% cost-of-living adjustment (COLA) for apportionments, which is applied to the rates within the Student Centered Funding Formula (SCFF)
- Proposes to provide \$24.9 million to fund student enrollment growth of 0.5%
- To address the expiration of the SCFF hold harmless, Governor Gavin Newsom proposes creating a funding floor for community college districts that allows transition to the core formula over time
 - Effectively allows funding rates to continue to increase by the statutory COLA but removes its application to the hold harmless provision commencing with 2025-26 and permanently extends the revised hold harmless provision
- Supports the recommendation made by the SCFF Oversight Committee to integrate an unduplicated first-generation student metric within the SCFF's supplemental allocation once a reliable and stable data source is available
- No other structural changes proposed at this time, including a base augmentation to address technology or other core needs

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■ Non-SCFF Spending

- **Most spending for the CCCs comes outside the SCFF, benefiting community-supported districts**
 - **Student Supports**
 - \$150 million **one-time** for student retention rates and enrollment
 - \$130 million **one-time** to support healthcare-focused vocational pathways for English language learners through the Adult Education Program
 - \$105 million for the common course numbering system (Assembly Bill [AB] 1111)
 - \$100 million **ongoing** for students newly eligible for the Student Success Completion Grant due to expanded Cal Grant B and Cal Grant C eligibility for CCC students
 - \$65 million **one-time** for transfer reform (AB 928)
 - \$30 million to support community colleges and vocational training programs to train, develop, and certify forestry professionals
 - \$20 million **one-time** to support emergency student financial assistance grants to eligible AB 540 students

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■ Non-SCFF Spending

- **Student Supports (continued)**
 - \$20 million **one-time** for a grant program that incentivizes public-private partnerships that prepare students in grades 9-14 for the high-skill fields of education and early education; science, technology, engineering and mathematics (STEM); and healthcare
 - \$10 million **ongoing** to augment resources provided to CCC financial aid offices
 - \$10 million **ongoing** to expand availability of foster youth support services offered by the NextUp program from 20 districts to 30 districts
 - \$10 million for California Youth Leadership Corps, a new statewide partnership
 - \$5 million **onetime** to support the CCC Teacher Credentialing Partnership Program
 - **5.33% COLA on Adult Education, Extended Opportunity Programs and Services (EOPS), Disabled Students Programs and Services, Apprenticeship, CalWORKs Student Services, Mandates Block Grant and Reimbursements, and the Childcare Tax Bailout**

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Non-SCFF Spending

- **Employment Supports**
 - \$200 million **ongoing** to augment the Part-Time Faculty Health Insurance Program
 - \$10 million **ongoing** to support the sustainable implementation of Equal Employment Opportunity Program best practices to diversify CCC faculty, staff, and administrators
- **Infrastructure**
 - \$750 million for the second year of the Higher Education Student Housing Grant Program
 - \$387.6 million **one-time** to support deferred maintenance and energy efficiency projects
 - \$373 million onetime in general obligation bond funding for the construction phase of 17 projects anticipated to complete design by spring 2023
 - \$100 million (of which \$75 million is one-time and \$25 million is ongoing) to address modernization of technology infrastructure, including sensitive data protection efforts at the community colleges
 - \$25 million one-time procurement and implementation of software that maps intersegmental curricular pathways

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Next Steps

- The first hearings of the 2022-23 State Budget will take place on January 19, when the full Senate Budget and Fiscal Review Committee kicks off the legislative review process
 - The Assembly does the same one week later, on January 26
- Subcommittee hearings have not been scheduled yet
 - In normal years, they begin to meet after trailer bill language is released by the Administration
 - The Administration aims to provide that language on the normal timeline, by the beginning of February
- The 2022-23 State Budget appears to hold many funding opportunities for community-supported districts and few, if any, threats
 - As always, we will monitor conversations for any changes that could negatively

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