



Draft 2020–21 State Budget Position

The Association of California Community College Administrators (ACCCA) takes an active role in the development and advocacy of the State Budget, public policy, and legislation for the benefit of the California Community College system, our students, and the system’s administrative leadership.

We appreciate Governor Gavin Newsom’s investment in the education of California’s students, and many of our State Budget priorities align with those outlined in the Governor’s 2020–21 State Budget proposal.

Proposition 98 Minimum Guarantee and California Community College Allocation

ACCCA calls on the state government to provide funds in a manner that builds excellence in public postsecondary education. Proposition 98 was established in the State Constitution by voters to set a *minimum* funding level for California’s public schools. ACCCA supports full funding obligated under Proposition 98 without manipulation.

ACCCA’s highest priority for allocation of Proposition 98 funds is full funding of the community college portion of the guarantee. We appreciate and support Governor Newsom’s proposal to provide California Community Colleges with their historical 10.93% portion of Proposition 98 and to provide the statutory 2.29% cost-of-living adjustment (COLA) to CCC apportionments. To the extent additional ongoing base funding can be provided to CCCs at the May Revision, ACCCA would greatly support such an increase.

Successfully Implementing the Student Centered Funding Formula

The California Community College system is in the second year of a new funding allocation model: the Student Centered Funding Formula (SCFF). Just as districts are beginning to understand the effects of the SCFF on their funding in the current year, the system is anticipating a funding shortfall of \$250 million. We call on the Legislature to protect the SCFF from any property tax or student fee shortfall in 2019–20.

The Governor has proposed no changes to the SCFF in 2020–21. We think this pause is warranted in this early phase of implementation.

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Pension Rate Relief

All districts are experiencing increasing costs for the continuing operation of their colleges. California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) employer contribution rates, step and column increases, health and welfare benefits cost increases, and even utility costs are all increasing. With a minimal COLA and many colleges facing declining attendance, help is needed.

In 2019–20, ACCCA fully supported the Governor's proposal to provide \$3 billion in non-Proposition 98 funds to relieve a portion of the CalSTRS and CalPERS employer rate contribution increases and provide an infusion of funds directly to the employer portion of the unfunded liabilities. To the extent more non-Proposition 98 resources can be provided to alleviate these employer contribution rate increases, we would support the additional relief.

Facilities and Deferred Maintenance Funding

With the successful passage of Proposition 51, voters approved \$2 billion in facilities funding for the California Community Colleges and voters are poised to approve another \$2 billion in March through Proposition 13. ACCCA calls on the state to continue its commitment to provide financial support for California's Community College facilities as quickly as possible.

ACCCA also requests additional deferred maintenance and instructional equipment support. There is great need across the state, and additional one-time funds at the May Revision would be beneficial to all colleges.

Student Mental Health

ACCCA supports the Board of Governors' request to provide \$10 million ongoing from Proposition 63 to expand and make permanent clinical mental health services and provide training and professional development to mental health care providers at California Community Colleges. This funding will allow more colleges to serve higher numbers of students and build more sustainable, long-term programs for their communities.

Financial Aid Reform

While the 2020–21 State Budget did not include state financial aid proposals, the Administration indicates it will review the California Student Aid Commission (CSAC) report on how the state's financial aid programs could better serve the needs of students. CSAC has recommended a streamlining of Cal Grant awards and an infusion of \$795 million ongoing, non-Proposition 98 funding for its proposed Cal Grant 2. We support this additional financial aid for community college students.

For questions regarding this position paper, please contact:
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