

## Overview of the Governor's January Budget

Overall, the FY21 California State January Budget of \$222.2 billion represents an increase of 3.4% over FY20. It maintains a commitment to paying down liabilities, building reserves, and increasing spending primarily for one-time initiatives.

### Student Budget: Major Themes

- Addressing affordability crisis – health care and housing.
- Investing in emergency responses – homelessness and wildfires.
- Promoting opportunity – increased funding for preschool, public schools, and higher education; new Department of Early Childhood Development.
- Continued, but Slowing Growth (remaining risks in long-term forecast).
- Continued Focus on Resiliency.

### Proposition 98 Minimum Guarantee Estimates for CCC, in Millions

Source of Revenues	FY19 Revised	FY20 Revised	FY21 Proposed	Change from FY20 (Amount)	Change from FY20 (%)
General Fund	\$5,426	\$5,516	\$5,652	\$136	2.47%
Local Prop Tax	3,077	3,254	3,435	181	5.56%
<b>TOTALS</b>	<b>\$8,503</b>	<b>\$8,770</b>	<b>\$9,088</b>	<b>\$318</b>	<b>3.63%</b>

### Funding Changes to Prop 98 Funding for CA Community Colleges (CCC), in Millions

#### Ongoing:

2.29% COLA for SCFF (and certain categoricals)	\$176.4
0.5% enrollment growth	31.9
Apprenticeship coursework & CA Apprenticeship Initiative	42.8
Food pantry services	11.4
Legal services for undocumented students, faculty, staff	10.0
Dreamer resource liaisons and related services	5.8
Instructional materials for dual enrollments students	5.0
Adjust CA College Promise & Student Success Completion Grant funding for recipients	(10.9)

#### One-Time:

Work-Based Learning	\$20.0
Statewide Pilot Fellowship Program for Diverse Hiring	15.0
PT Faculty Office Hours	10.0
Zero Textbook Cost Degree Programs	10.0
Deferred maintenance & instructional equipment	7.6
Technical adjustments	(17.3)
<b>Total Changes</b>	<b>\$317.7</b>

## **Policy Update**

Apportionments: While the budget makes no change to the Student Centered Funding Formula (SCFF), the Governor supports the recommendation of the SCFF Oversight Committee to include a metric reflecting first-generation college students within the formula. The CCCCCO is expected to develop guidance and work with districts to collect this data. FY21 preliminary SCFF rates are expected to be published in mid-February.

CCC System Support: The budget proposes a \$125 million consolidation of administrative and statewide activities budgets contained within the following programs: Student Equity and Achievement (SEA), Cooperating Agencies Foster Youth Educational Support, CCC Strong Workforce, Institutional Effectiveness Partnership Initiative (IEPI), Integrated Technology, Transfer Education & Articulation, Expand Delivery of Courses through Technology, and Statewide media campaigns (from Finance Aid Administration.)

## **Capital Outlay**

The January Budget provides \$27.6 million in capital outlay funding from Prop 51. The funding is to support 24 new CCC projects. On the March 3 ballot is Prop 13, *School and College Facilities Bond*. If passed, community colleges would receive \$2 billion of the measure's total \$15 billion for educational facilities.