
LEGISLATIVE AFFAIRS COMMITTEE MINUTES

Coast Community College District
Legislative Affairs Committee
June 6, 2024
Via Zoom

1. Call to Order

The meeting was called to order at 2:00 p.m.

2. Roll Call

Present: Trustee Lorraine Prinsky
Trustee Jerry Patterson

In Attendance:

Whitney Yamamura, Chancellor
Julie Clevenger, Director of Chancellor's Office Operations
Marlene Drinkwine, Vice Chancellor of Finance and Administrative Services
Andreea Serban, Vice Chancellor of Educational Services and Technology
Curtis Williams, OCC Educational Technology Specialist
Casey Elliott, Vice President, Townsend Public Affairs
Joseph Melo, Senior Associate, Townsend Public Affairs
Ricky Goetz, Secretary of the Board

3. Opportunity for Public Comment

There were no requests to address the Legislative Affairs Committee.

4. Approval of Minutes: Meeting of March 28, 2024

5. Approval of Minutes: Meeting of May 2, 2024

On a motion by Trustee Patterson, seconded by Trustee Prinsky, the Committee voted to approve the minutes of the March 28, 2024 and May 2, 2024 meetings.

Motion carried with the following vote:

Aye: Trustee Prinsky and Trustee Patterson
No: None
Absent: None

6. Federal Community College Legislation

Joseph Melo of Townsend Public Affairs provided the Federal legislative update. The House focused on the start of the Fiscal Year 2025 appropriations process and the Senate focused on border security and judicial nominations. The Administration continued efforts to push student loan forgiveness and FAFSA implementation assistance. Problems encountered with FAFSA resulted in completion rates down about 15% nationally. Community colleges have been less impacted, and the Education Department has rolled out support strategies to boost FAFSA completion.

The House Appropriations Committee considered the first FY 2025 appropriations bills. The proposed allocation for the Labor, Health and Human Services, and Education Appropriations bill is expected to result in a cut of more than 10%.

The Congressional Budget Office issued a formal estimate for the College Cost Reduction Act, which would make significant changes to the Higher Education Act and save \$185.5 billion over 10 years. Community college students stand to benefit from proposed provisions to the SAVE income dependent repayment plan.

7. State Community College Legislation

Casey Elliott of Townsend Public Affairs provided the State legislative update. On May 16, the Assembly and Senate Appropriations Committee each held a hearing to consider measures that had been referred to each committee's suspense file. The Assembly Appropriations Committee considered approximately 650 bills as part of their Suspense File, and advanced roughly 75% of those measures. The Senate Appropriations Committee had approximately 320 bills on their Suspense File and advanced roughly 67% of those measures. Bills that advanced to the Assembly and Senate Floor were then quickly considered by each House, and most all were approved.

Relevant dates for the Legislature:

June 15 – Deadline for the Legislature to approve a budget bill

June 27 – Deadline to qualify measures for the November General Election ballot

July 3 – Deadline for bills to advance out of Second House policy committees

July 3 – August 4th – Legislative Summer Recess

August 16 – Deadline for bills to advance out of Second House fiscal committees

August 31 – Final recess begins on adjournment of floor session

September 30 – Last day for Governor to act on pending legislation

Mr. Elliott presented an update on the following priority legislation:

- *AB 1805 (Ta) – Academic content standards: Mendez v. Westminster School District*
This bill was approved by the Senate Education Committee (7-0) and is currently on the Senate Appropriations Committee awaiting consideration.
- *AB 1818 (Jackson) – Postsecondary education: homeless students: parking*
This bill was approved on the Assembly Floor (63-0) and is currently in the Senate Rules Committee awaiting referral to a policy committee.

- *AB 1855 (Arambula) – Open meetings: community college student body associations*
This bill passed the Senate Local Government Committee (5-2) and is currently in the Senate Education Committee awaiting a hearing.
- *AB 1891 (Weber) – Community colleges: allied health programs*
This bill was approved by the Senate Education Committee (7-0) and is currently on the Senate Appropriations Committee awaiting consideration.
- *AB 2088 (McCarty) – K-14 classified employees: part-time or full-time vacancies*
This bill was approved on the Assembly Floor (52-11) and is currently in the Senate Rules Committee awaiting referral to a policy committee.
- *AB 2104 (Soria) – Community colleges: Baccalaureate Degree in Nursing Pilot Program*
This bill was approved on the Assembly Floor (65-1) and is currently in the Senate Rules Committee awaiting referral to a policy committee.
- *AB 2277 (Wallis) – Community colleges: part-time faculty*
This bill was approved on the Assembly Floor (72-0) and is currently in the Senate Rules Committee awaiting referral to a policy committee.
- *SB 895 (Roth) – Community colleges: Baccalaureate Degree in Nursing Pilot Program*
This bill was approved on the Senate Floor (38-0) and is currently in the Assembly Higher Education Committee awaiting a hearing.
- *SB 1388 (Archuleta) – Community colleges: general fund balance*
This bill was held in the Senate Appropriations Committee on the Suspense File.

8. State Budget Activity

Casey Elliott reported that on May 10, Governor Newsom released the 2024-25 State Budget May Revise that incorporated updated revenue adjustments, adjustments to January Budget proposals, and new proposals. The state needed to address a \$27.6 billion deficit this year, as well as ongoing deficits of approximately \$30 billion per year beginning in 2025. The Governor attributed the shortfall to the state's progressive tax structure that largely relies on the financial performance of high-income earners. The Legislature passed an Early Action Budget Package in April that reduced the size of the budget shortfall by approximately \$17.3 billion. The May Revise estimated an additional \$7.0 billion reduction in revenues bringing the deficit to \$27.6 billion.

The May Revise maintains the Governor's Budget withdrawal of approximately \$12.2 billion from the Budget Stabilization Account, as well as \$900 million from the Safety Net Reserve over two years. Significant reductions in funding included the Middle-Class Scholarship Program, California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program, Children and Youth Behavioral Health Initiative, California Department of Corrections and Rehabilitation Housing Unit Deactivations, and Ongoing Reductions to State Operations. Additional and adjusted support from revenue sources and borrowing internally from special funds included Net Operating Loss Suspension and Limit Credit to \$5 Million and Additional Managed Care Organization Tax.

Impacts relative to community colleges were a decrease in proposition 98 funding, increases the proposed withdrawal amounts from the Public School System Stabilization Account, increase in the proposed COLA to 1.07%, the Hold Harmless to be reduced by \$188.8 million, and various changes to the sources of funding within the Student Centered Funding Formula.

Senate and Assembly leadership released their outline of a joint proposed budget in response to the Governor's May Revise proposal on May 29 to serve as a basis for ongoing budget negotiations. It addressed similar deficit and reserve spending problems as outlined by the Governor.

The Joint Legislative Budget Proposal also contained the following proposals:

- Overall Prop 98 funding approximately \$1.9 billion higher than the May Revise, with some of the additional revenue going to the Prop 98 reserve,
- Restores full funding for the Middle-Class Scholarship program,
- Implements a modified Cal Grant Reform to benefit lower income students, including those at community colleges,
- Provides a one-time \$20 million allocation to community college financial aid offices with unexpected workload due to FAFSA delays and help students who are still working to complete the FAFSA.

The Legislature's Budget Plan contained proposals designed to avoid significant budget shortfalls in the future via increasing the state's rainy-day fund and creating a "Projected Surplus Temporary Holding Account" for years in which a significant budget surplus is anticipated. The proposed reforms would need voter approval, potentially as soon as at the November General Election.

9. Future Agenda Items

No new items.

10. Next Meeting Date

The next meeting was scheduled for Thursday, August 15, 2024 at 2:00 p.m.

11. Adjournment

The meeting was adjourned at 3:14 p.m.



Richard Goetz
Secretary of the Board