

Reply Reply All Forward

Governor's Budget Highlights

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Colleagues,

Governor Brown has just released his initial proposal for the 2013-14 fiscal year. At first blush, it appears to be a nice time to consider. While it's too early to have sorted through all of the details and ramifications of the proposed budget (this month), I wanted to provide a quick summary of the key changes related to the California Community Colleges.

The Governor proposes:

- \$196.7M in increased apportionment funding. It is proposed that the Board of Governors will determine how to allocate this funding.
- \$179M to buy down existing deferrals. This would lower the total year over year deferrals from \$801M to \$622M.
- \$49.5M to support energy efficiency efforts pursuant to the recently passed Proposition 39 ballot initiative and on-the-job work experience training in partnership with the California Conservation Corps and participating community colleges.
- \$16.9M to enhance online education efforts in the CCCs, including the creation of a centralized Virtual Campus and 24/7 support through a common portal. The proposal would further expand and enhance credit by exam and Degree courses and also for remedial coursework. One way that students would be able to acquire the skill is through the use of credit by exam.
- \$300M in a shift of responsibility for Adult Education from K12 to the CCCs. These dollars would be provided to the CCCs.
- \$15.7M in a shift of responsibility for Apprenticeship from K12 to CCCs.
- Replace long-standing provisional language concerning the funds for the Economic and Workforce Development expenditure to the Department of Finance for approval (similar to SB 70).

The Governor's proposal also includes some significant policy changes:

- A 5-year phase-in of funding apportionments on completion rather than on census date enrollment. Unlike the current proposal, funding would not be lost through the apportionment shifted to student support efforts such as the Student Success Act.
- A 90-unit cap for students. Under this proposal, no state support would be provided for students that have exceeded the cap, but they would still be able to pay the full cost of instruction, with some provision for case-by-case waivers. Similar limits are proposed for the State University System.
- Alter Part B BOG fee waivers to require students to complete a FAFSA and include the income of both parents.

Clearly, Governor Brown has an ambitious agenda for higher education, and we will have much to discuss over the coming weeks. We will include an analysis from the Legislative Analyst's Office (usually in February), a review of the proposal by legislative counsel, and a public hearing on May 15th when the Governor will update the revenue forecast and potentially alter some of his proposals.

I hope to have a more complete summary of the Governor's Budget in the coming days. Also, the Chancellor's Office will host a webinar on Monday, January 14th at 10am to go through the budget proposal in more detail and to answer your questions. Click on the link below to the webinar registration form:

<http://www.ccleague.org/i4a/forms/form.cfm?id=83>

Regards,
Dan Troy