

(Without Reference to File)

SENATE THIRD READING

SB 116 (Committee on Budget and Fiscal Review)

As Amended

Majority vote. Budget Bill Appropriations Takes effect Immediately.

SUMMARY:

This is the higher education budget trailer bill as part of the Budget Act of 2020.

Major Provisions

- 1) *Cal Grant for non-profits.* Sets the Cal Grant amount that students attending private non-profit colleges and universities receive at \$9,084 for the 2020-21 academic year.
- 2) *Emergency financial aid.* Provides \$15 million one-time General Fund for emergency financial aid for AB 540 students at the University of California (UC), California State University (CSU), and California Community Colleges (CCC). The funding is redirected from the Dreamer Service Incentive Grant program, which will resume in the 2021-22 academic year.
- 3) *Golden State Teacher Grant Program technical changes.* Makes minor technical adjustments to the Golden State Teacher Grant Program, which provides up to \$20,000 in financial aid for students in teacher credentialing programs.
- 4) *Middle Class Scholarship adjustments.* Adjusts spending on the Middle Class Scholarship program to reflect caseload.
- 5) *COVID-19 costs and 50% law.* Allows colleges to exclude direct costs related to the COVID-19 crisis when computing expenses for purposes of ensuring that 50% or more of expenditures are classroom-related. This provision sunsets in one year.
- 6) *Student Centered Funding Formula.* Extends the hold harmless provision of the Student Centered Funding Formula by two years, and makes adjustments to some rates within the funding formula for the 2019-20 fiscal year. Also specifies that for the 2020-21 fiscal year, colleges may use the 2019-20 data in place of 2020-21 data to calculate the base allocation. For the 2020-21 supplemental allocation and student success allocation, colleges may use 2018-19 data in place of the 2019-20 data.
- 7) *Short-term career technical education programs.* Encourages community college districts to expedite the development of short-term workforce training programs related to economic recovery.
- 8) *University of California Subject Matter Projects.* Directs UC Subject Matter Projects in mathematics, science and English/language arts to address learning loss related to the COVID-19 crisis.

- 9) *California State University retirees*. Makes technical changes to language describing benefits to CSU retirees.
- 10) *University of California Breast Cancer Research Fund*. Adjusts the UC Breast Cancer Research Account to reflect updated revenues.
- 11) *Community College 2020-21 Deferrals*. Provides a deferral of \$662.1 million Proposition 98 General Fund from the 2020-21 fiscal year to the 2021-22 fiscal year. In addition, provides an additional deferral of \$791.1 million Proposition 98 General Fund that will be rescinded if federal funding is received. Also provides a hardship waiver allowing colleges with cash-flow issues to avoid the deferral and sets aside funding to support colleges which receive the waiver. Also specifies that by August 1, 2021 and each year after, the Department of Finance shall notify the Joint Legislative Budget Committee of each district that requested an exemption, and information about the amount they requested and were provided, and information on why a request was not granted. The bill specifies that if the amount that the waivers requested are larger than the funds available, the Chancellor's office and Department of Finance shall prorate the amount to districts.
- 12) *UC and CSU Summer Financial Aid*. Specifies that \$6 million General Fund provided to CSU and \$4 million General Fund for UC for summer financial aid in 2020-21 and program shall be suspended on December 31, 2021.
- 13) *CCC COVID-19 Response Block Grant*. Provides \$66.3 million Proposition 98 General Fund one-time for the CCC COVID-19 Response Block Grant. Pursuant to the Budget Act, a total of \$120 million shall be used for this purpose. This block grant will fund activities that support student learning and mitigate learning loss, this includes professional development, information technology, mental health services, and cleaning supplies and protective equipment. This bill requires the Chancellor's Office to submit a report to the Legislature on the use and effectiveness of these funds.
- 14) *CCC Student Equity and Achievement Program*. Requires that as a condition of receiving SEAP funds, colleges must provide support to, or establish an on-campus food pantries or regular food distributions.

COMMENTS:**According to the Author:**

None

Arguments in Support:

None on file.

Arguments in Opposition:

None on file.

FISCAL COMMENTS:

This bill is a budget trailer bill within the overall 2020-21 budget package to implement actions related to higher education.

VOTES:**SENATE FLOOR: 27-9-2**

YES: Allen, Archuleta, Atkins, Beall, Bradford, Caballero, Dodd, Durazo, Galgiani, Glazer, Hertzberg, Hill, Hueso, Hurtado, Leyva, McGuire, Mitchell, Monning, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Chang, Grove, Jones, Moorlach, Morrell, Nielsen, Stone, Wilk

ABS, ABST OR NV: Borgeas, Jackson

UPDATED:

VERSION: June 22, 2020

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FN: 0003113