
UNFINISHED BUSINESS

Bill No: SB 116
Author: Committee on Budget and Fiscal Review
Amended: 6/22/20
Vote: 21

SENATE FLOOR: Not relevant

ASSEMBLY FLOOR: 73-1, 6/26/20 - See last page for vote

SUBJECT: Postsecondary education trailer bill

SOURCE: Author

DIGEST: This bill makes necessary changes to implement the higher education provisions adopted as a part of the Budget Act of 2020.

Assembly Amendments delete the Senate version of the bill and instead add the current language.

ANALYSIS: This bill makes various statutory changes to implement the higher education provisions of the 2020-21 budget. Specifically, this bill:

- 1) *Cal Grant Awards for Students Attending Private Non-Profit Colleges and Universities.* Sets the Cal Grant amount for students attending private non-profit colleges and universities at \$9,084 for the 2020-21 academic year.
- 2) *Dreamer Service Incentive Grant and Emergency Financial Aid.* Specifies that funds provided for the Dreamer Service Incentive Grant shall be redirected to provide emergency financial aid. This bill 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 Dreamer Service Incentive Grant program will resume in the 2021-22 academic year.

- 3) *Golden State Teachers Grant Program*. Makes technical adjustments to the program to clarify that the funds are for students enrolled in an accredited institution of higher education, that the funds shall be available for encumbrance until June 30, 2023, and funds shall supplement other financial aid, as specified.
- 4) *Middle Class Scholarship Program*. Specifies that for the 2019-20 fiscal year and each year thereafter, \$117 million shall be allocated for the program.
- 5) *Community College Fifty Percent Law: COVID-19 Expenses*. Specifies that for the 2020-21 fiscal year only, expenditures related to the COVID -19 virus that are not otherwise normal expenditures are exempt from the 50 percent law. The 50 percent law requires community college districts to allocate no less than 50 percent of its general fund expenditures to “salaries of classroom instructors,” under a formula based upon the current expense of education.
- 6) *Student Centered Funding Formula*. Specifies the base, supplemental and student success allocation rates for the funding formula for 2019-20. This bill specifies that commencing with the 2020-21 fiscal year, these rates are to be adjusted for changes in the cost-of-living adjustments. This bill 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. This bill also provides a two-year extension of the hold harmless provision from 2021-22 to 2023-24. This bill also includes intent language to specify that for the 2020-21 fiscal year, 70 percent of the funding is for the base allocation, 20 percent for supplemental, and 10 percent for student success.
- 7) *Community College 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 Project*. 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 update references for CSU annuitants to retirees.

- 10) *University of California Breast Cancer Research Fund*. Adjusts the UC Breast Cancer Research Account to reflect updated revenues.
- 11) *Community College Deferrals*. Specifies that for the 2020-21 fiscal year, a total of \$1.45 billion Proposition 98 General Fund shall be deferred from June to July, May to August, April to September, March to October and February to November.

This bill also provides a hardship waiver of \$30 million for each of the 2020-21 deferral payments, and authorizes the Controller, Treasurer and Department of Finance to provide additional hardship amounts of up to \$60 million total for each month of the deferrals.

This bill 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. This 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 provided in the budget act shall be suspended on December 31, 2021.
- 13) *CCC COVID-19 Response Block Grant*. Provides \$66.26 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 in Federal funds and Proposition 98 General Fund 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 by January 1, 2023, on the use and effectiveness of these funds.
- 14) *CCC Student Equity and Achievement Program (SEAP)*. 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.

- 15) *UC San Francisco Parnassus Heights Plan*. Establishes procedures for the administrative and judicial review of the environmental review and approvals for the UCSF Parnassus Heights Plan project. This bill requires actions or proceedings seeking judicial review pursuant to the California Environmental Quality Act or granting of project approvals for the UCSF Parnassus Heights project to be resolved within 270 days of filing the certified record of proceedings to the court. This bill also prohibits the UC Board of Regents from prequalifying, shortlisting or awarding a contract to perform work on the UCSF Parnassus Heights project unless the entity provides an enforceable commitment that they and their subcontractors use skilled and trained workforce to perform all work that falls within an apprenticeable occupation, except as provided in a project labor agreement, as specified. This section shall remain in effect until January 1, 2026.
- 16) *Various Adjustments*. Makes other technical and conforming amendments to the higher education provisions of the budget act.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

According to the Senate Budget and Fiscal Review Committee, this bill is a budget trailer bill within the overall 2020-21 budget package to implement actions related to higher education.

SUPPORT: (Verified 6/23/20)

None received

OPPOSITION: (Verified 6/23/20)

None received

ASSEMBLY FLOOR: 73-1, 6/26/20

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Berman, Bigelow, Bloom, Boerner Horvath, Bonta, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Chu, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Eggman, Flora, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gloria, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kamlager, Kiley, Lackey, Levine, Limón, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Obernolte, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Smith, Mark Stone, Ting, Voepel, Waldron, Weber, Wicks, Wood, Rendon

NOES: Brough

NO VOTE RECORDED: Diep, Fong, Frazier, Gonzalez, Ramos

Prepared by: Anita Lee / B. & F.R. / 916-651-4103
6/29/20 13:31:42

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