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THIRD READING

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Bill No: AB 123  
Author: Committee on Budget  
Amended: 6/24/25 in Senate  
Vote: 21

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SENATE BUDGET & FISCAL REVIEW COMMITTEE: 18-0, 6/25/25  
AYES: Wiener, Niello, Allen, Blakespear, Cabaldon, Choi, Durazo, Grove, Laird,  
McNerney, Menjivar, Ochoa Bogh, Pérez, Richardson, Seyarto, Smallwood-  
Cuevas, Wahab, Weber Pierson

ASSEMBLY FLOOR: 53-17, 3/20/25 - See last page for vote

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**SUBJECT:** Higher education budget trailer bill

**SOURCE:** Author

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**DIGEST:** This bill makes necessary changes to implement the higher education provisions adopted as a part of the Budget Act of 2025.

**ANALYSIS:** This bill makes various statutory changes to implement the higher education provisions of the 2025-26 budget.

- 1) Requires the University of California to fund construction grants for student housing projects at University of California Davis and University of California, Santa Barbara.
- 2) Commencing with the 2025–26 school year, requires the governing body of a local educational agency to provide each pupil and the pupil’s parent or legal guardian with information about the KIDS Program and the pupil’s potential eligibility for that benefit, as provided.
- 3) Requires, for the 2025–26 to 2029–30 fiscal years, inclusive, the Scholarshare Investment Board to partner with the Riverside County Office of Education and the San Diego Unified School District to explore ways to

increase participation in the KIDS Program and includes additional reporting requirements.

- 4) Requires the California State University, and requests the University of California, to begin working on establishing a model uniform set of academic standards on or after October 1, 2025, and requires the model uniform set of academic standards to also be established for college-level coursework taken for credit at a California public college or university by a pupil simultaneously enrolled in high school, as provided.
- 5) Requires the California Student Aid Commission use the 3-year cohort default rate certified in 2020 to certify an otherwise qualifying institution for the 2025–26 and 2026–27 academic years.
- 6) Authorizes the systemwide central office of a public postsecondary educational institution acting on behalf of the participating institution to annually report to the California Student Aid Commission information regarding the institution’s undergraduate programs, as provided, among other conforming changes.
- 7) Extends the availability of Golden State Teacher Grant Program funds to applications received under the program on July 1, 2025, to June 30, 2026, inclusive.
- 8) Makes changes to the reporting requirements for the Hire UP Pilot program to require an additional report on the pilot program’s implementation on Mach 1, 2029.
- 9) Makes changes to the reporting requirements for the Native American Student Support and Success Program to require development and submission of reports on a triennial basis until September 1, 2030.
- 10) Makes changes to the Rising Scholars program to authorize the California Community College Chancellor’s office to enter agreements with all community college districts to provide funds for services in support of postsecondary education for justice-involved students.
- 11) Adjusts the payment of apportionments to community college districts for the 2025–26 fiscal year to defer \$408,363,000 of those payments to the 2026–27 fiscal year in accordance with a designated schedule.
- 12) Establishes the California Career Passport Program to be administered by the office of the Chancellor of the California Community Colleges, in

partnership with the Office of Cradle-to-Career Data and the Labor and Workforce Development Agency, for the purpose of developing a Career Passport that provides individuals with a secure digital tool that displays their preparation for employment, academic records, and credit for prior learning. Additionally appropriates \$25 million to the Board of Governors of the California Community Colleges to support the program.

- 13) Authorizes the Bureau of Private Post-Secondary Education to use moneys in the Student Tuition Recovery Fund to cover the costs of Student Tuition Recovery Fund claim administration and positions of the Office of Student Assistance and Relief.
- 14) Reestablishes the California State Law Library Special Account and would require, until July 1, 2030, \$65 of each notice of appeal fee to be deposited into the California State Law Library Special Account for the support of the California State Law Library upon appropriation. The bill would specify that this requirement is intended to apply retroactively to January 1, 2025.
- 15) Amends the Budget Act of 2023 by reducing the appropriation made to the board of governors for apportionments by \$67 million.
- 16) Amends the Budget Act of 2023 to include \$6.33 million for reimbursements for firefighter training.
- 17) Amends the Budget Act of 2024 by increasing the appropriation made to the board of governors for apportionments by \$10.8 million.
- 18) Amends the Budget Act of 2024 to include \$100 million one-time Proposition 98 to support enrollment growth at the California Community Colleges.
- 19) Appropriates \$6.6 million from the General Fund to the board of governors to support the development of e-Transcript California pursuant to that provision.
- 20) Appropriates \$5.1 million from the General Fund to the board of governors to provide grants through a community college district to California community-based organizations for financial aid outreach and application assistance supporting current and prospective community college students, as provided.

- 21) Appropriates \$20 million from the General Fund to the board of governors to support emergency financial assistance grants to students attending a community college, as specified.
- 22) Appropriates \$15 million from the General Fund to the board of governors to support Dreamer Resource Liaisons in assisting students.
- 23) Appropriates \$10 million to the board of governors to support the California Healthy School Food Pathway program.
- 24) Appropriates \$10 million from the General Fund to the board of governors for transfer to a community college for allocation to the California Firefighter Joint Apprenticeship Council to conduct Emergency Medical Technician and Paramedic Preapprenticeship Training Academies.
- 25) Appropriates \$125,000 from the General Fund to the board of governors for allocation on a one-time basis to Santa Rosa Junior College for the construction of a fire academy tower.
- 26) Appropriates up to \$15 million from the General Fund to the board of governors to support the Credit for Prior Learning Initiative, a systemwide initiative to award degree-applicable or certificate-applicable credit for prior learning opportunities at each campus.
- 27) Appropriates \$60 million from the General Fund to the board of governors to establish the Student Support Block Grant, which authorizes community college districts to use the allocated funds for certain purposes, including, among other purposes, for assistance to students with food, housing, transportation, and other basic needs.
- 28) Appropriates \$5 million from the General Fund to the board of governors for allocation to community colleges that are members of the Los Angeles Regional Consortium to assist with workforce recovery efforts and career technical education workforce development associated with the Los Angeles regions' recovery from the Palisades and Eaton fires.

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

This bill is a budget trailer within the overall 2025-26 budget package to implement actions related to higher education, and makes various appropriations.

**SUPPORT:** (Verified 6/25/25)

None received

**OPPOSITION:** (Verified 6/25/25)

None received

**ASSEMBLY FLOOR:** 53-17, 3/20/25

**AYES:** Addis, Aguiar-Curry, Arambula, Ávila Farías, Bains, Bennett, Berman, Boerner, Bonta, Bryan, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Jackson, Kalra, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

**NOES:** Alanis, Castillo, Chen, Davies, DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Lackey, Macedo, Patterson, Sanchez, Ta, Tangipa

**NO VOTE RECORDED:** Ahrens, Alvarez, Bauer-Kahan, Calderon, Essayli, Hoover, Irwin, Krell, Papan, Wallis

Prepared by: Diego Emilio J. Lopez / B. & F.R. / (916) 651-4103  
6/26/25 16:11:29

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