

(Without Reference to File)

SENATE THIRD READING

SB 123 (Committee on Budget and Fiscal Review)

As Amended June 24, 2025

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

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

Major Provisions

- 1) *UC Student Housing*: Authorizes the use of existing state debt service funding to support affordable student housing projects at the Davis and Santa Barbara campuses.
- 2) *CalKIDS notifications*: 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 CalKIDS college savings account program and the pupil's potential eligibility for that benefit.
- 3) *Dual enrollment standards*: Requires the California State University, and requests the University of California, to begin on or after October 1, 2025 working on establishing a model uniform set of academic standards for college-level coursework taken for credit at a California public college or university by a pupil simultaneously enrolled in high school, and requires the segments, including California Community Colleges, to post information about the standards to their websites.
- 4) *Cohort default rate*: Authorizes the California Student Aid Commission to use cohort default rates certified in 2020 to determine institutional eligibility for the Cal Grant program through 2026-27.
- 5) *Cal Grant reporting*: Requires institutions participating in the Cal Grant program to provide the California Student Aid Commission with specified aggregated Cal Grant recipient data.
- 6) *Golden State Teacher Grant program extension*: Extends the Golden State Teacher Grant program through June 30, 2026.
- 7) *CalKIDS data-sharing pilot projects*: Extends the data-sharing pilot project between the CalKIDS college savings program and Riverside County Office of Education until 2029-30, and authorizes San Diego Unified School District to join the project.
- 8) *Rising Scholars programs*: Eliminates the limit on the number of California Community Colleges that can operate a Rising Scholars programs for incarcerated and formerly-incarcerated students.
- 9) *Community College reporting*: Approves changes to reporting deadlines for the Native American Student Support and Success Program and the Hire Up Program.

- 10) *Community College deferral*: Defers \$408.4 million in 2025-26 Proposition 98 General Fund costs to 2026-27.
- 11) *Community College Career Passport program*: 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.
- 12) *Bureau of Private Postsecondary Education funding shift*: Allows the bureau to use Student Tuition Recovery Fund funds to support claim administration activities and positions at the Office of Student Assistance and Relief.
- 13) *Witkin Law Library funding*: 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.
- 14) *Community College 2023-24 apportionments adjustment*: Amends the Budget Act of 2023 by reducing the appropriation made to the board of governors for apportionments by \$67 million and provides \$6.3 million one-time Proposition 98 General Fund to backfill costs related to the firefighter apprenticeship program and other apprenticeship programs.
- 15) *Community College 2024-25 apportionments adjustment*: Amends the Budget Act of 2024 by increasing the appropriation made to the board of governors for apportionments by \$10.8 million and provides \$100 million one-time Proposition 98 General Fund to support unfunded enrollment growth.
- 16) *Community College e-Transcript*: Provides \$6.6 million one-time Proposition 98 General Fund to support e-Transcript California to cover a shortage in funds for the program.
- 17) *Community College student block grant*: Provides \$60 million one-time Proposition 98 General Fund to support a 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.
- 18) *Community College credit for prior learning*: Provides \$15 million one-time General Fund to support the Credit for Prior Learning Initiative, with trailer bill language ensuring focus on units that are degree- or certificate-applicable and allowing consideration of international educational experience.
- 19) *Community College financial aid*: Provides \$20 million one-time Proposition 98 General Fund for emergency financial aid.

- 20) *Community College financial aid outreach and support*: Appropriates \$5.1 million Proposition 98 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.
- 21) *Community College EMT and paramedic pre-apprenticeship*: Provides \$10 million one-time Proposition 98 General Fund to support the California Firefighter Joint Apprenticeship Council to conduct Emergency Medical Technician and Paramedic Preapprenticeship Training Academies.
- 22) *Community College Dreamer Resource Liaisons*: Provides \$15 million one-time Proposition 98 General Fund to support Dreamer Resource Liaisons.
- 23) *Community College Career Technical Education grants*: Provides \$5 million one-time Proposition 98 General Fund to develop a grant program for 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 Los Angeles regions' recovery from the Palisades and Eaton fires.
- 24) *Community College Healthy Schools Pathway Program*: Provides \$10 million one-time Proposition 98 General Fund to support the Healthy Schools Pathway Program.
- 25) *Community College fire tower*: Provides \$125,000 one-time Proposition 98 General Fund to the Santa Rosa Junior College for the construction of a fire academy tower.

COMMENTS

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According to the Author

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Arguments in Support

None on file

Arguments in Opposition

None on file

FISCAL COMMENTS

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VOTES

SENATE FLOOR: 28-10-2

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Reyes, Stern

UPDATED

VERSION: June 24, 2025

CONSULTANT: Mark Martin / BUDGET / (916) 319-2099

FN: 0000999