

Date of Hearing: June 24, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 308 (Seyarto) – As Amended May 11, 2026

Policy Committee: Higher Education Vote: 10 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill revises the annual reporting requirement for the California Community Colleges Chancellor's Office (CCCCO) regarding the number and nature of audit findings, districts that failed to file their audits, and actions taken by the CCCCCO to reach compliance, and combines this report with required reporting regarding corrective action taken against a fiscally instable community college district (CCD).

Specifically, the bill requires the report be submitted to the chairs of the educational policy and fiscal committees of both houses of the Legislature, Director of Finance, and the Governor, in addition to the Joint Legislative Audit Committee.

FISCAL EFFECT:

No new state costs. According to the CCCCCO, this bill creates cost savings due to a consolidation of reporting workload.

COMMENTS:

1) **Purpose.** According to the CCCCCO, sponsors of this bill:

The Chancellor's Office is currently required to submit more than 50 legislative reports, many on an annual basis, several of which contain overlapping or duplicative information. SB 308 would streamline two report requirements related to audit exceptions, district audit compliance, and corrective actions currently reported under Education Code Section 84040.6 and 84040. Under existing law, the Chancellor's Office is required to submit two distinct reports that contain overlapping audit-related information, including the number and nature of audit exceptions, districts that fail to submit required audits, and actions taken to address audit findings. SB 308 does not eliminate these reporting obligations—instead, beginning in the 2027–28 fiscal year, it would allow this information to be reported through one consolidated report.

2) **Background.** Current law subjects CCDs and school districts to various annual fiscal health checks and programmatic compliance requirements via reports and auditing, with special attention to fiscal oversight and accountability. Commonly, audit findings represent an

indicator that a CCD may be in danger of fiscal difficulty in the near future. Therefore, current law requires reporting to the Legislature on both the outcome of CCD audits as well as any corrective action taken in the case of a CCD experiencing fiscal instability. This bill consolidates these two existing reporting requirements into one report.

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