
UNFINISHED BUSINESS

Bill No: SB 308
Author: Seyarto (R), et al.
Amended: 6/25/26
Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 1/14/26

AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Gonzalez, Reyes

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 39-0, 1/26/26 (Consent)

AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

NO VOTE RECORDED: Gonzalez

ASSEMBLY FLOOR: 71-0, 8/13/26 - See last page for vote

SUBJECT: Community colleges: audits: reports

SOURCE: California Community Colleges Chancellor's Office

DIGEST: This bill streamlines the annual reporting requirement for the California Community Colleges Chancellor's Office (CCCCO) regarding the number and nature of audit fundings, 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.

Assembly Amendments require that the report be submitted by the CCCCCO and include actions taken by the CCCCCO to streamline audit expectations and comply with management improved recommendations.

ANALYSIS:

Existing law:

- 1) States that it is the intent of the Legislature to encourage sound fiscal management practice among California community college (CCC) districts for the most efficient and effective use of public funds for the education of community college students by strengthening fiscal accountability at the district and state levels.
- 2) Requires the governing board of each CCC district provide for an annual audit of all funds, books, and accounts of the district in accordance with regulations of the board of governors, as specified.
- 3) Requires the board of governors adopt criteria and standards for periodic assessment of the fiscal condition of CCC districts, and such regulations regarding the review and improvement of district fiscal conditions as necessary to encourage sound fiscal management practices. In so doing it further requires the board of governors to develop, by regulation, appropriate procedures and actions for CCC districts that fail to achieve fiscal stability or that fail to comply with the board of governors' recommendations, and to report to the chairs of the educational policy and fiscal committees of both houses of the Legislature, the Director of Finance, and the Governor, related corrective actions taken by the community college district and related actions taken against the CCC district. (Education Code (EC) § 84040 (a – c))
- 4) Requires that the board of governors to report that information to the educational policy and fiscal committees of both houses of the Legislature, the Director of Finance, and the Governor. Beginning in the 2027-28 fiscal year, the bill would also require the report to be submitted with the above-described report related to corrective actions taken by and actions taken against, a CCC district. (EC § 84040.6)

This bill:

- 1) Streamlines the annual reporting requirement for the CCCCCO 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 unstable community college district (CCD).

- 2) Requires that, beginning in the 2027-28 fiscal year, the CCCCCO consolidate reporting of fiscal information specified in current law on corrective action taken by or against CCC districts experiencing fiscal instability and on the fiscal audits of CCC districts, into a single report.
- 3) Requires that the report, pursuant to 1) above, be submitted to all of the following:
 - a) Chairs of the educational policy committees of both Houses of the Legislature.
 - b) Chairs of the fiscal committees of both Houses of the Legislature.
 - c) The Joint Legislative Audit Committee.
 - d) The Director of Finance.
 - e) The Governor.
- 4) Requires that the report, pursuant to 1) above, include all of the following:
 - a) Number and nature of audit exceptions.
 - b) Estimated amount of funds associated with exceptions.
 - c) List of CCC districts failing to file audits.
 - d) Actions taken to address audit findings and management improvement recommendations.

Comments

Need for the bill. According to the author, “SB 308 will streamline higher education reporting requirements to eliminate redundancy while maintaining accountability. By directing the Legislature to consolidate duplicative reporting mandates for the California Community Colleges, our colleges can focus more time resources on their core mission of education students rather than paperwork. This practical reform builds on past successful efforts to bring greater efficiency to California’s education system.”

Reduces administrative workload. This bill seeks to reduce administrative workload associated with submitting separate reports on related topics. By consolidating the two reports in the manner proposed, this bill ensures that all

entities currently receiving either report will continue to receive the information in a single, consolidated report.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

Senate Rule 28.8

SUPPORT: (Verified 8/14/26)

California Community Colleges Chancellor's Office (source)

OPPOSITION: (Verified 8/14/26)

None received

ASSEMBLY FLOOR: 71-0, 8/13/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Boerner, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Johnson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Alvarez, Berman, Bonta, Jackson, Lee, Petrie-Norris, Quirk-Silva, Schultz

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8/14/26 17:04:33

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