

# SACRAMENTO REPORT December 13, 2021

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#### **EXECUTIVE SUMMARY**

- ▶ **Budget Update:** Both the Assembly and Senate Leadership released budget blueprints last week outlining high level priorities for the coming year. Some of the common issues that were included in both documents were affordable housing, infrastructure funding, increasing access and affordability at institutions of higher education. The Governor will release his budget on January 10<sup>th</sup>.
- ➤ **CCC Math Success:** The PPIC released a report on the implementation of AB 705 and the impact it has had on success for math students in California's community colleges. According to the report, access to transfer-level courses early on has dramatically increased the ability of students to pass those gateway courses.
- ➤ Committee Changes: With the number of resignations, members being termed out, and those choosing not to run for reelection, there have been a number of changes to committee chairs. One of the major announcements that came last week is the Assemblymember Jose Medina will not be seeking reelection. This means that he leaves the Assembly with one two-year term left under his term limit.

### **BUDGET UPDATE**

With the Legislative Analyst's Office releasing their fiscal analysis that indicates next year's budget will have a significant surplus, and with the Governor scheduled to introduce his budget on January 10<sup>th</sup>, both the Senate and the Assembly released their



budget "blueprints" for the coming year. These are the priorities that they will focus on as they build a budget for 2022-23 and beyond.

There are a number of commonalities in both blueprints. While these items lay out the priorities of each House, they will not complete their budget work until after the final fiscal projections are made and the Administration released their May Revise.

The Senate has indicated the following priorities for the coming year:

- Pay down state debts and retirement liabilities.
- Maximize infrastructure investments, including for schools and higher education.
- Consider future reforms to modernize Gann Limit while respecting original intent.
- Address Housing Challenges: Homelessness, Affordable Housing, and Home Ownership.
- Boost 21st Century Infrastructure: Including Transportation, Education, Broadband, Climate/Disaster Resiliency.

You can download the entire plan here.

The Assembly blueprint establishes the following priorities:

- Ensuring that increased education funding aids students facing learning loss and mental health issues.
- Make sure homelessness and affordable housing funds result in more permanent and temporary housing solutions.
- Oversee implementation of universal TK.
- Provide broadband access to inaccessible urban and rural communities.
- \$10 billion for school facilities and additional investments for university and community college facilities.

You can download the entire Assembly blueprint <a href="here">here</a>.

Both the Assembly and the Senate are focused on addressing the state's housing crisis as well as making higher education more affordable. With the Gann Limit again coming into play, the Governor and both Houses of the Legislature will have to consider spending options that address its requirements. One of the funding categories that is outside the Gann Limit is funding for capital facilities projects. Because of this, we could see additional funding put towards the construction affordable higher education housing. This could be a good investment given the current three-year funding set aside for community colleges was already oversubscribed in year one. The Legislature could also use surplus funding to put towards higher education facility retrofit and expansion, rather than moving one of the bond vehicles.



Should revenues continue on the path that the LAO has indicated is likely, we are looking at another great budget year for community colleges.

## **CCC MATH SUCCESS**

The Public Policy Institute of California released a report examining the impact that AB 705 has had on California community college math success. California community colleges first began implementing AB 705 in 2019, so it has only been three years since implementation began. Colleges have continued to implement the law through the pandemic, where many colleges moved completely online and wrap around services have been difficult for students to access. The issue brief examines the progress that colleges have made and the impact that changes have had on students.

Among the findings of the brief are the following:

- The share of first-time math students completing transfer-level math in one term rose from 40% in fall 2019 to 46% in fall 2020, far higher than before AB 705 (24% in fall 2018).
- Students pursuing majors in business and STEM—about 36% of first-time math students who intended to transfer—are now more likely to take a math course that is appropriate for their intended major and consequently more likely to successfully complete calculus, which is the gateway course for these majors.
- About one in four first-time students pursuing a BSTEM major in the fall 2019 cohort successfully completed Calculus I or Applied Calculus as of the next fall. This rate is 22% higher than for the fall 2018 cohort.

#### They conclude:

 To increase the number of students enrolling directly into transfer-level math courses, colleges should enroll transfer-intending students into transfer-level courses by default.

You can view the entire brief at the PPIC website here.

One of the ways in which students could further increase success in transfer-level courses is through appropriate access to tutoring. This year, Assemblymember Irwin intends to introduce legislation to authorize apportionment for supervised tutoring. She introduced the bill last year, but due to COVID restrictions decided not to move it. Additionally, Assemblymember Irwin will be introducing further legislation related to



implementation of AB 705 and making some adjustments to the current language. As we learn what that is, we will provide you with more information.

#### **COMMITTEE CHANGES**

There have been a number of changes in the Legislature this year with members resigning, choosing not to run for reelection, or moving to the other House. All of these have made openings in committees, particularly in the Assembly. One major announcement came last week when Chair of the Assembly Higher Education Committee, Assemblymember Jose Medina declared that he would not seek reelection to his final year under the term limits law.

While Medina will keep his seat as chair of the Assembly Higher Education Committee, the Speaker announced last week some changes to committees that will take place immediately but will really start have impact when the Legislature returns January 3<sup>rd</sup> of next year.

Among the changes are the following:

- Assemblymember Sharon Quirk-Silva will replace Assemblymember Miguel Santiago as Chair of the Assembly Communications and Conveyance Committee.
- Assemblymember Miguel Santiago will replace Assemblymember Jim Frazier who resigned earlier this year as Chair of the Assembly Government Organization Committee.
- Assemblymember Buffy Wicks will be Chair of the Assembly Housing and Community Development Committee.
- Assemblymember Chris Ward will replace Assemblymember Ed Chau as Assistant Majority Leader.