



THE LEAGUE LEGISLATIVE UPDATE

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Education Issues Expected to be Addressed by the Legislature

- Financial aid;
- Student affordability;
- Student fees;
- Textbook costs;
- Accountability – SB 325 reintroduction (was vetoed by the Governor last year) -- Establishes state higher education goals;
- Private postsecondary oversight;
- Academic preparation for college level work, particularly basic skills at the CCC – Staff have inquiries re: LAO report and inability of students to successfully complete their goals or meet recommendations from the Nancy Schulock reports;
- Efforts to streamline business operations within the CCC (pursued by the LACCD);
- Concurrent enrollment – Portantino will reintroduce his bill to make concurrent enrollment easier. Dept of Finance has been concerned about double dipping – paying HS and CC for the same student. There is ongoing discussion to resolve this concern;
- Some interest in Master Plan review this year for its 50th anniversary;
- Legislature and staff have yet to consider what kind of oversight role they might play re: stimulus, but feel reinstating private postsecondary oversight is very important to ensure WIA funds are spent in institutions that have some accountability/oversight. The Assembly Higher Education Committee plans to hold an informational hearing on the federal stimulus package (American Recovery and Reinvestment Act);
- Assembly Speaker Bass announced a new Assembly Stimulus, Economic Recovery, and Jobs Task Force (SERJ), which will be led by Assemblymember V. Manuel Perez. The task force is expected to release a draft outline of a strategy for economic recovery, which will be followed by hearings in Sacramento and local communities throughout California. The SERJ will work in conjunction with local governments, business leaders, workers, and community groups to find ways to best leverage new federal funding and address the

state's immediate economic needs and long-term goals. All Assembly standing committees have been asked to look at the stimulus package for ways of maximizing the benefit to California. Speaker Bass also has directed Assembly standing committees to conduct hearings on the federal stimulus funds;

- AB 551 (Furutani) - Property tax backfill - Assembly member Sam Blakeslee is principal co-author. Furutani's staff member, Eric Guerra, has been in communication with the Governor's office regarding intent to introduce this version of the property tax backfill legislation and requested that community college advocates keep them informed about the Governor's Office's position.

Legislative Policy Hearings

- **Assembly Higher Education**
 - **March 3** – AB 78 (Portantino): Concurrent enrollment—the bill is similar to AB 1409 (Portantino) as introduced in 2007. Consultation established a task force to review and discuss amendments to the bill that will assist colleges and students, while also “passing muster” with the author and the Administration. The next meeting of the Concurrent Enrollment Task Force is March 19th, following Consultation Council.
 - **March 17** – AB 37 (Furutani): Honorary Degrees; AB 38 (Salas): Resident Classification for Vets; AB 48 (Portantino): Private Postsecondary Education.
- **Senate Local Government**
 - **March 4** – SB 106 (Local Government Committee): Ethics Training for School and Community College Trustees – This bill would add community college district board members, county boards of education and school district board members who hold office as of January 1, 2010, and who receive any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties, to the list of those required to receive training in ethics by January 1, 2011 and at least every two years thereafter.

Budget Updates

Please go to the League's website for the latest budget updates at:
<http://www.ccleague.org/i4a/pages/index.cfm?pageid=3320>

Initiatives on the May 19, 2009 Ballot

Numbers have been assigned for the seven measures that will be on the May 19, 2009 Statewide Special Election ballot which has been scheduled as a result of the budget agreement reached by legislators and the Governor on February 18th. Following are the ballot numbers and abbreviated

descriptions of each. League staff is currently engaged in a comprehensive review of the implications of each of these measures.

Proposition 1A – Would limit state spending to a 10-year average of state revenues, strengthen the state’s “rainy day” (reserve) fund, and establish a funding stream to restore \$9.3 billion owed to schools and community colleges. It also would extend the tax increases included in the budget until 2012-13; otherwise the tax increases would expire at the end of 2010-2011.

Proposition 1B – Would recognize a \$9.3 billion state obligation to schools and community colleges in lieu of money owed to them between 2007 and 2009 under the Proposition 98 guarantee. These funds would be contingent on passage of Proposition 1A.

Proposition 1C – Would modify the state lottery so the state can sell bonds backed by lottery proceeds, and use it to plug \$5 billion into the 2009-2010 budget.

Proposition 1D – Would temporarily shift \$268 million in cigarette taxes away from California Children and Families Program (Proposition 10) and into the general fund.

Proposition 1E – Would redirect the “millionaires’ tax” from 2004’s Proposition 63 mental health programs to fund other health programs for low-income children.

Proposition 1F – Would amend the Constitution to prevent the California Citizens’ Compensation Commission from raising legislators’ and state officers’ salaries when the state General fund is expected to end the year with a deficit.

Proposition 13 – Would exclude seismic retrofits from reassessment under Proposition 13.

Governor Arnold Schwarzenegger Issues an Executive Order

Governor Arnold Schwarzenegger issued an executive order on the Commission on the 21st Century Economy which will allow the Governor and the Legislature an additional appointment each, bringing the total number of appointees to 14. The Governor appointed, William Hauck.

On or before April 15, 2009, the Commission is required to report to the Governor and to the Legislature, recommendations to change laws to achieve the following goals:

- a. Establish a 21st century tax structure that fits with the state’s 21st century economy;
- b. Stabilize state revenues and reduce volatility;
- c. Promote the long-term economic prosperity of the state and its citizens;
- d. Improve California’s ability to successfully compete with other states and nations for jobs and investments;
- e. Reflect principles of sound tax policy including simplicity, competitiveness, efficiency, predictability, stability and ease of compliance and administration;
- f. Ensure that the tax structure is fair and equitable.

The Campaign for College Opportunity

On February 26th, The Campaign for College Opportunity hosted “Policy Briefing and Practices with Promise Recognition” at the State Capitol, where Dr. Schulock presented the report “The Grades Are In – 2008” to Capitol staff and interested parties. Paul Steenhausen of the LAO presented general findings from his study “Back to Basics: Improving Readiness of Community College Students.” Steenhausen discussed several observations including large number of

dropouts, insufficient transfers, lack of focus, underprepared students, students do not realize they are underprepared; and the systemic failure shared by K-12 and higher education.

When asked how to enact changes to address the issues raised given the current fiscal climate, Steenhausen recommended authorizing colleges to raise fees on non-needy students with revenue directed to student services, and to redirect funding from lower-priority personal enrichment courses to higher priority services and programs. The hosts of the briefing encouraged attendees to consider the upcoming gubernatorial elections and the 50th anniversary of the Master Plan for Higher Education as forums to encourage policy makers to preserve college access and workforce needs of a competitive California economy.

Research Reports

The Grades Are In – 2008: Is California Higher Education Measuring Up? Nancy Shulock and Colleen Moore, Institute for Higher Education Leadership and Policy, January 2009.

http://www.collegecampaign.org/thegradesarein2008/grades_are_in_08_web_sm.pdf

In this report, the author makes recommendations for high schools as well as the two- and four-year public postsecondary institutions; she also directs two sets of recommendations toward community colleges – i.e., those that “can be taken within current budget constraints” and those that “require a level of resource investment that is not likely now but should be explored as soon as the state’s budget situation permits.” In the first category are the following:

- Give institutions more flexibility to use existing resources to best serve students;
- Incorporate incentives for degree and program completion in funding formulas;
- Limit the state subsidy of personal enrichment in the California Community Colleges (CCC) to allow a stronger focus on core missions to increase educational attainment and workforce quality;
- Establish and communicate clear pathways for students to follow toward attainment of credentials, including more career-oriented pathways, more student-centered transfer pathways from community colleges to universities, and more efficient degree pathways within universities.

In the second category, Shulock lists the following:

- Revise the assessment and placement process in the CCCs to ensure that students who need remedial work receive it early and enroll in classes in which they are prepared to succeed;
- Increase financial aid options for CCC students and maximize their use of federal aid for which they are already eligible;
- Encourage enrollment patterns that correlate with higher completion, such as full-time continuous enrollment and timely registration;
- Enhance student support services through better funding and more supportive policies;
- Adopt incentives to encourage degrees in the science, technology, engineering and mathematics (STEM) fields;
- Identify gaps and inconsistencies in higher education data systems that prevent accurate analysis and planning and make changes to build comprehensive statewide analytic capacity.

New Americans in the Golden State: Immigrants, Latinos, and Asians Indispensable to California Economy, Immigration Policy Center Fact check, February 2009
<http://www.immigrationpolicy.org/images/File/factcheck/LoResCaliforniaEconomyImmigration.pdf>

This report includes the following findings:

- Latinos and Asians account for more than one-quarter of California businesses and buying power;
- Immigrant workers, entrepreneurs and taxpayers are integral to California's economy;
- Most native-born Californians have experienced wage gains from immigration because "immigrant workers often serve as complements to native workers rather than as their direct competitors for jobs, thereby increasing total economic output. Native workers benefit because they are able to specialize in more productive work;"
- California's immigrants move up the socioeconomic ladder over time – learning English, buying homes, and escaping poverty;
- Nearly half of Californians are Latino or Asian – and they vote;
- One-quarter of California's registered voters are immigrants or the children of immigrants.

Staffing Changes

• Karen Humphrey has been appointed the first female Executive Director of the California Postsecondary Education Commission (CPEC), effective March 1, 2009. Ms. Humphrey had been serving as the administrator of the Commission's Improving Teacher Quality grant program. She fills the position after the retirement of former Executive Director, Murray J. Haberman, last December.

• Kathryn Radtkey-Gaither has been appointed Undersecretary for the Office of Education. She has served as the Associate Director and Chief of Staff to the California State University Chancellor's Office of Advocacy and Institutional Relations since 2005 and previously served as the Chief Deputy Director for the California Department of Child Support Services from 2004 to 2005. From 1984 to 2004, Radtkey-Gaither worked at the Department of Finance, where she served in a variety of positions including Deputy Director and, in 2004, she was a team member for the California Performance Review.

• Governor Schwarzenegger appointed Michael Pro시오 as Deputy Chief of Staff and Legislative Secretary and announced the appointment of John Moffatt as Chief Deputy Legislative Secretary. Pro시오 fills the position vacated by Chris Kahn. Pro시오 recently has served as Chief Deputy Legislative Secretary for Governor Schwarzenegger since 2007 and previously held the position of Deputy Legislative Secretary from 2006 to 2007. Pro시오 advised the Governor and his Administration on labor, workers' compensation, political reform, and economic stimulus legislation and policy. He has also worked closely with the Governor and the Legislature on budget proposals and legislation. Pro시오 previously served as Assistant Secretary for the Labor and Workforce Development Agency from 2004 to 2006.