

Government Relations Webinar

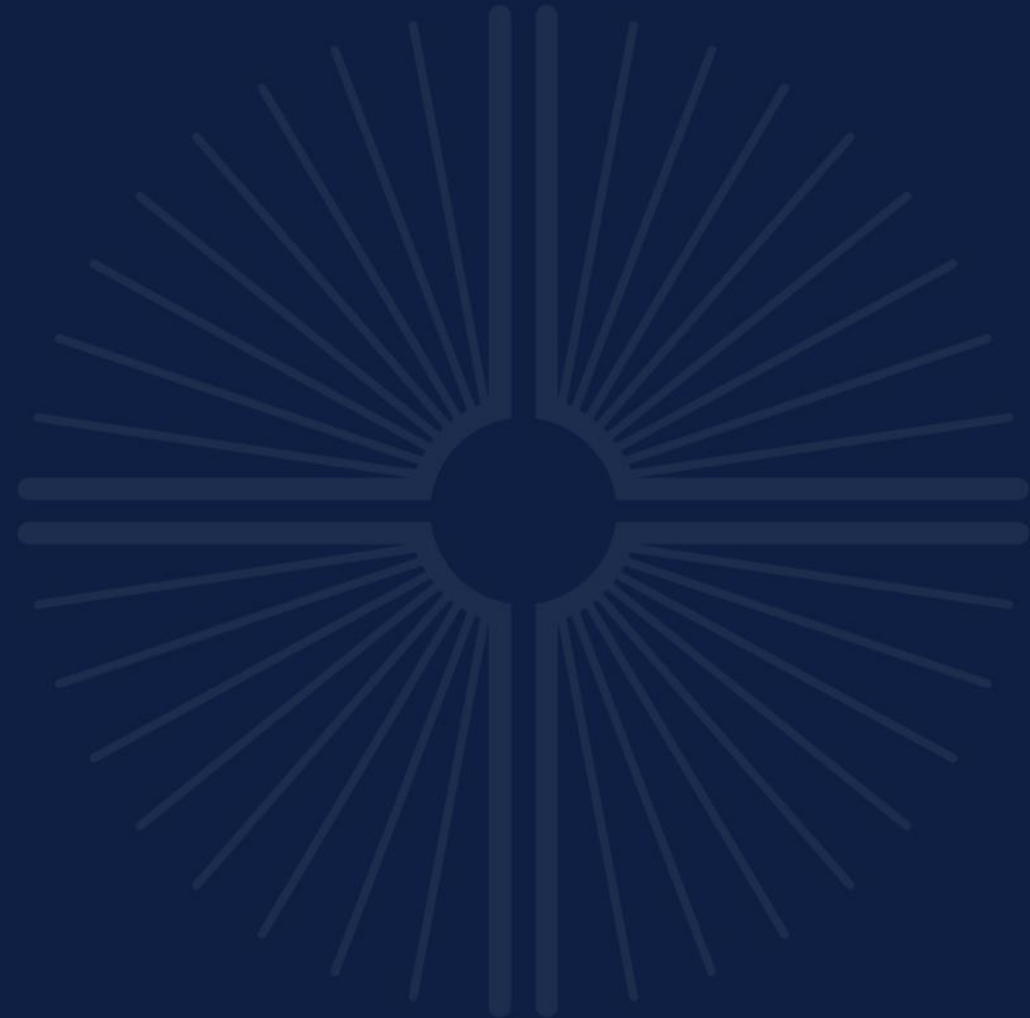
June 17, 2025

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



Overview

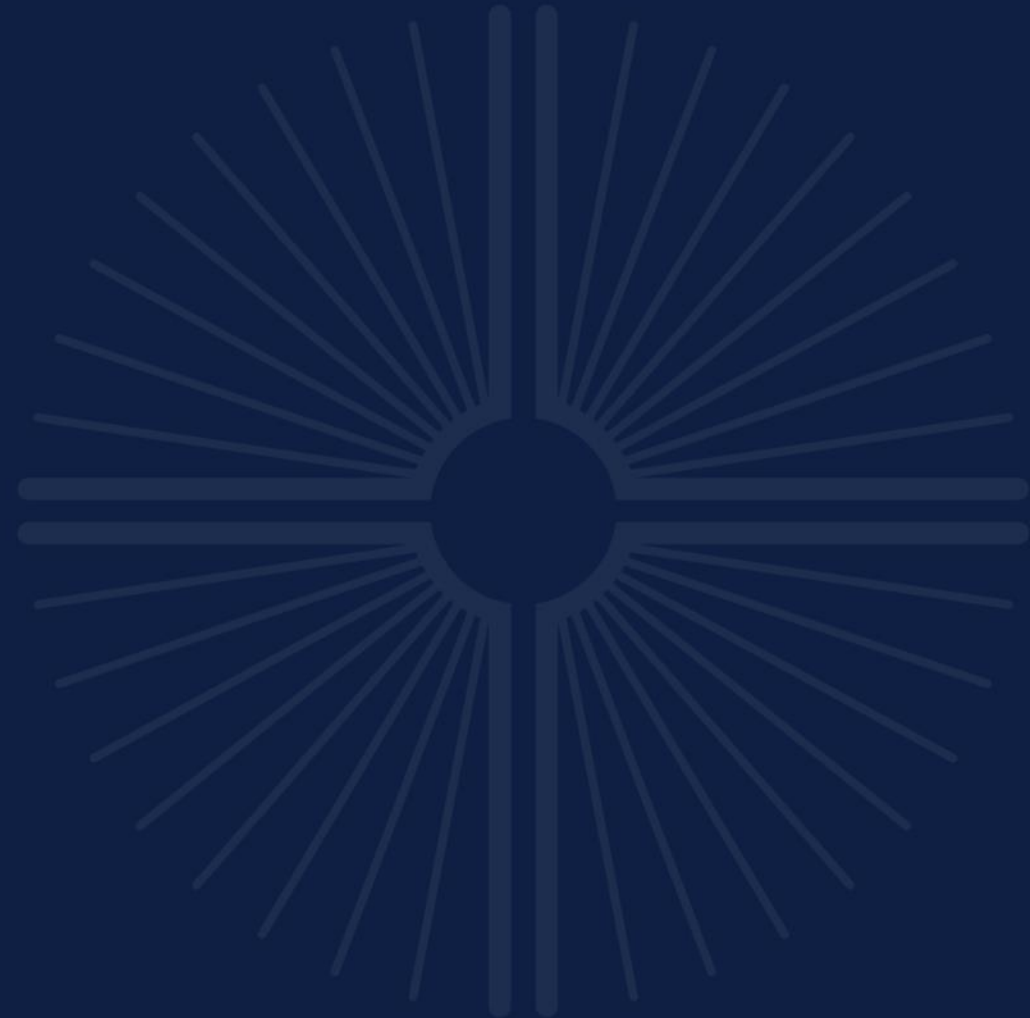
- ❖ Federal Update
- ❖ Budget Update
- ❖ Legislative Update



Federal Update

Tom Downs | Downs Government Affairs, LLC

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



Federal Budget & Appropriations Update

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

Budget Reconciliation – House version

House votes 215-214 to advance Republican bill

House Speaker Mike Johnson (R-LA) succeeded in passing H.R. 1, President Trump's "One Big Beautiful Bill Act." Included in the bill –

- **Risk Sharing:** Colleges must fund a portion of unpaid student loans
- **Limiting Pell Grants:** Students must complete 30 credits annually (up from 24) for a full Pell award. No Pell Grants for students enrolled below half-time (fewer than 6 credits).

Budget Reconciliation – Senate version

HELP Committee rejects House provisions

- Last week, the Senate Health, Education, Labor and Pensions (HELP) Committee released its budget reconciliation proposal
- The HELP proposal does not include the changes to Pell Grant eligibility or institutional risk-sharing contained in the House bill
- The Senate bill also provides \$10 billion to shore up the Pell Grant program, in light of an anticipated funding shortfall

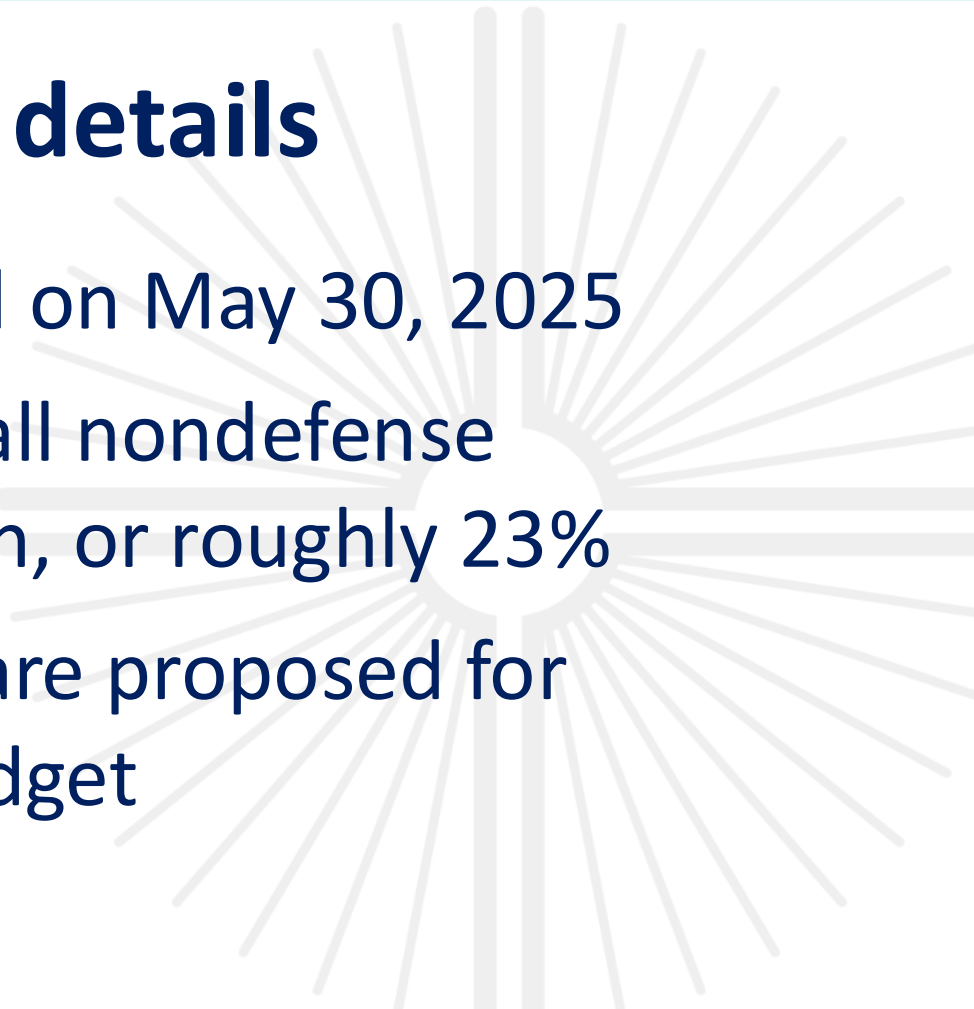
Budget Reconciliation – House and Senate

Both Versions Include Workforce Pell

- Both the House-passed H.R. 1 and the Senate HELP Committee's budget reconciliation proposal include Workforce Pell
- The Workforce Pell provision creates Pell Grant eligibility for short-term workforce programs between 150 and 599 clock hours that are at least 8 weeks

President's FY 2026 Budget Proposal

White House releases Budget details

- FY 2026 Budget details were released on May 30, 2025
 - The President's Budget reduces overall nondefense discretionary spending by \$163 billion, or roughly 23%
 - Many programs and entire agencies are proposed for elimination under the President's Budget
- 

President's FY 2026 Budget Proposal

Department of Education Budget Proposal

- Requests an overall 15.3% reduction in spending for a department that is “responsibly winding down”
- Reduces the maximum Pell Grant by \$1,685 (23%), from the current level of \$7,395 down to \$5,710
- Reduces Federal Work-Study Program funding by nearly 80%

President's FY 2026 Budget Proposal

Education Programs Proposed for Elimination:

TRIO and GEAR UP grants

Supplemental Educational
Opportunity Grants

Child Care on Campus Grants

Fund for Improvement of
Postsecondary Education

Strengthening Institutions Grants

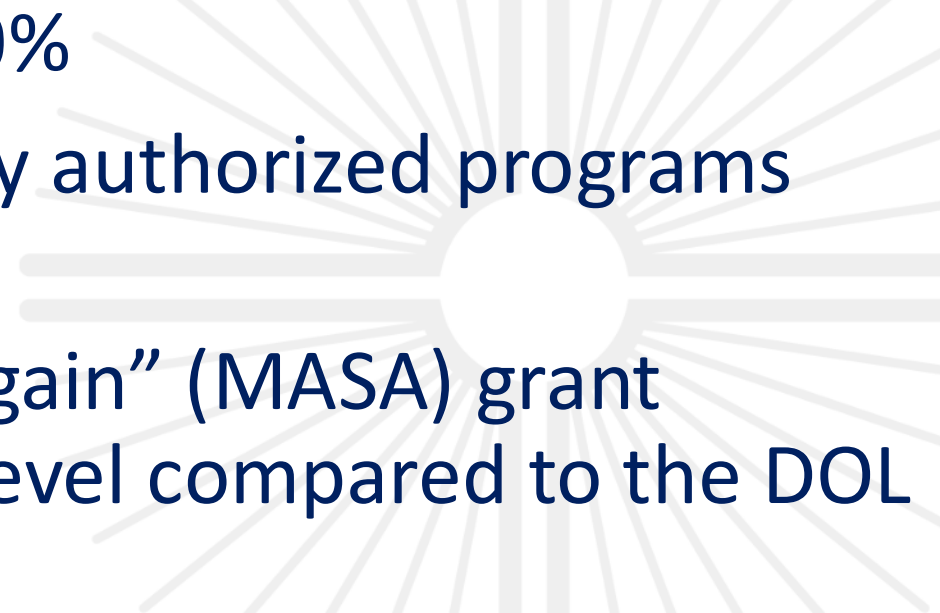
Teacher Quality Partnerships

Education Programs Proposed for Continuation:

Hispanic Serving Institution and other minority serving institution grants

President's FY 2026 Budget Proposal

FY 2026 Budget – Department of Labor

- Reduces DOL Job Corp funding by 90%
 - Eliminates numerous Congressionally authorized programs under WIOA and other statutes
 - Proposes a “Make America Skilled Again” (MASA) grant program, funded at a 25% reduced level compared to the DOL programs eliminated
- 

Labor Department Programs Proposed for Elimination To be Replaced with “Make America Skilled Again”

- Apprenticeship Program
- Adult Employment and Training Activities
- Youth Activities
- Dislocated Workers Employment and Training Activities

- Migrant and Seasonal Farmworkers Program
- Reentry Employment Opportunities
- Workforce Data Quality Initiative
- YouthBuild




President's FY 2026 Budget Proposal

Department of Commerce Budget proposal

- NOAA Operations, Research and Grants cut by \$1.3B
 - National Institute of Standards and Technology (NIST) cut by \$325M
 - Economic Development Administration cut by 57%
 - Eliminates the Minority Business Development Agency
- 

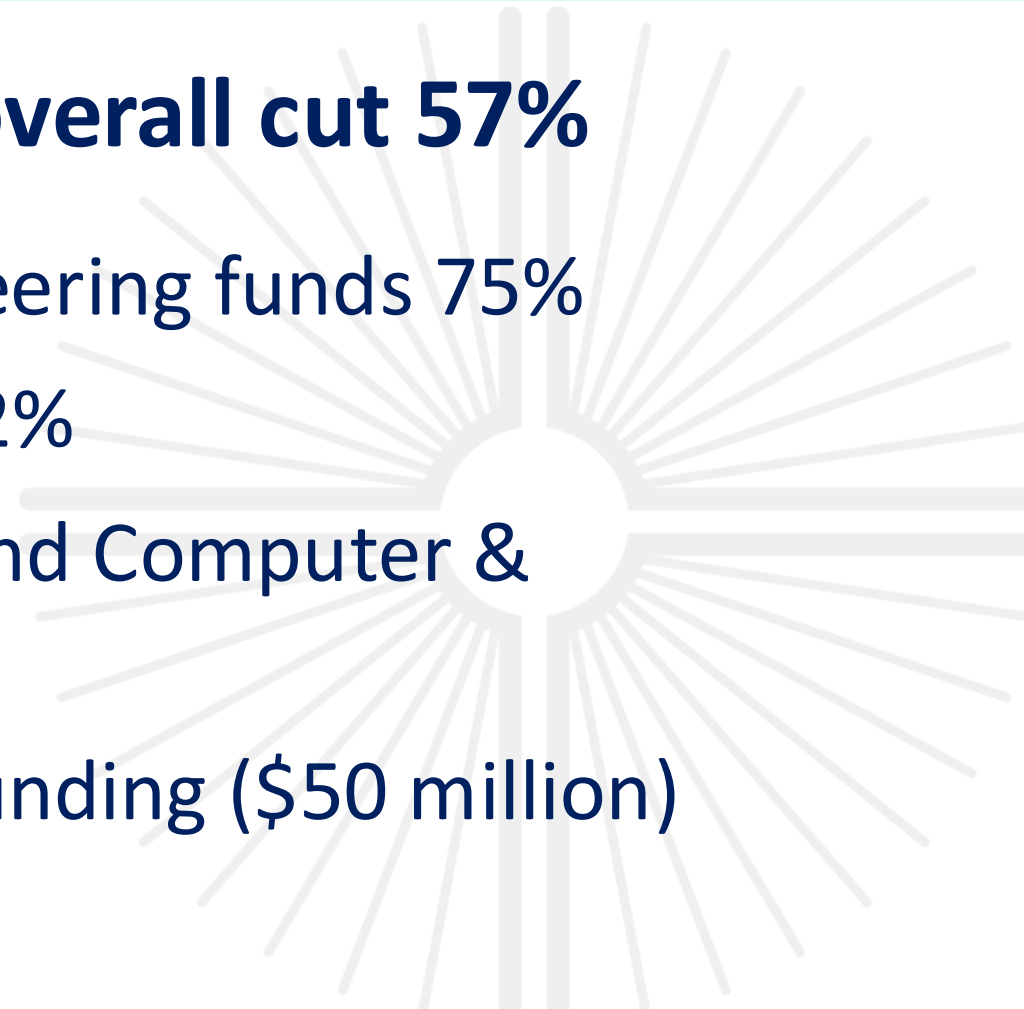
President's FY 2026 Budget Proposal

FY 2026 Budget – Department of Energy

- Reduces the DOE Office of Energy Efficiency and Renewable Energy's funding by 74%
 - Eliminates Solar, Wind, and Renewable Energy Grid Integration programs
 - Eliminates the Office of Clean Energy Demonstrations
- 

President's FY 2026 Budget Proposal

National Science Foundation – overall cut 57%

- Reduces STEM education and Engineering funds 75%
 - Reduces Biological Sciences funds 72%
 - Reduces Advanced Manufacturing and Computer & Information Science funds 65%
 - Continues CHIPS and Science R&D funding (\$50 million)
- 
- A decorative sunburst graphic is positioned on the right side of the slide. It features a central white circle with numerous thin, light gray lines radiating outwards in all directions, creating a sunburst effect. The lines vary in length and thickness, giving it a dynamic, star-like appearance.

President's FY 2026 Budget Proposal

Key Republicans in Congress are opposed

Senate Appropriations Chair Susan Collins (R-ME) opposes the FY 2026 Budget proposal due to its cuts to biomedical research, low-income heating subsidies, and Department of Education programs

The proposed defense spending levels are opposed by Chair Collins and –

- Defense Appropriations Subcommittee Chair Mitch McConnell (R-KY)
- Senate Armed Services Chair Roger Wicker (R-MS)
- House Armed Services Committee Chair Mike Rogers (R-AL)

FY 2026 Appropriations

FY 2026 funding cycle is moving forward

- Hearings have begun in the House and Senate Appropriations Committees for the fiscal year starting October 1, 2025
- Congressionally Directed Spending proposals are on track, with support from nearly all California delegation members
- House leaders hope to pass their versions of at least some of the 12 FY 2026 appropriations bills before the August recess



Legislation of Interest



House-passed legislation

Connecting Small Businesses with Career and Technical Education Graduates Act, H.R. 1642

Summary: The Connecting Small Businesses with Career and Technical Education Graduates Act (H.R. 1642) requires Small Business Development Centers and Women's Development Centers to educate small businesses about Career and Technical Education (CTE) programs, and how CTE program graduates can fulfill small business hiring needs. In addition, the bill promotes teaching CTE program graduates how to utilize the skills they learned to create their own small businesses.

Cosponsors: Rep. Roger Williams (R-TX), Rep. Derek Tran (D-CA), and others

On June 3, 2025, H.R. 1642 passed the U.S. House of Representatives on a vote of 396 to 5

Awaiting House and Senate Consideration

Workforce Investment and Opportunity Act (WIOA) reauthorization

- Goal: Prioritize community colleges under WIOA and authorize Strengthening Community College Workforce Training grants

Farm Bill reauthorization

- Goal: Authorize Capacity Building Grants for Community Colleges in Agriculture and Natural Resources Programs

Carl D. Perkins Career and Technical Education Act reauthorization

- Goal: Update and increase funding for Perkins CTE programs

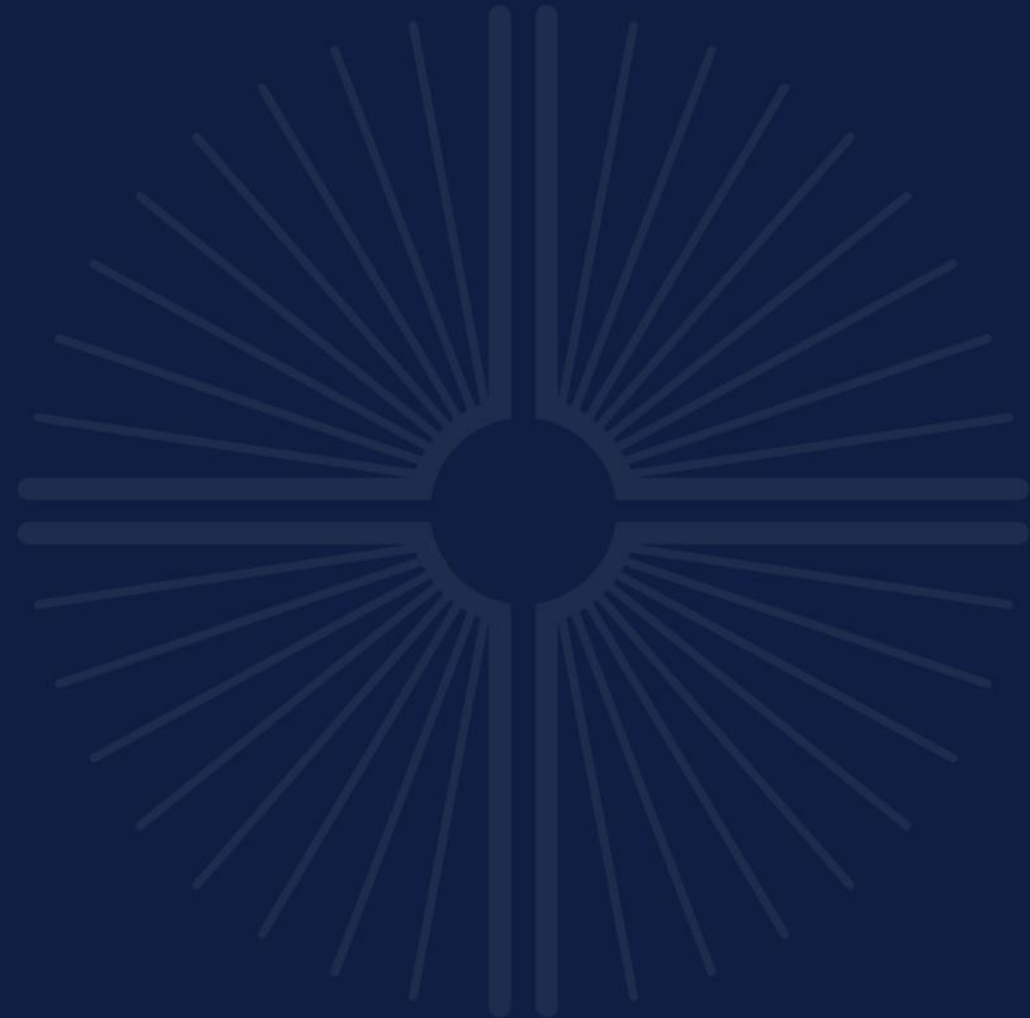


QUESTIONS?

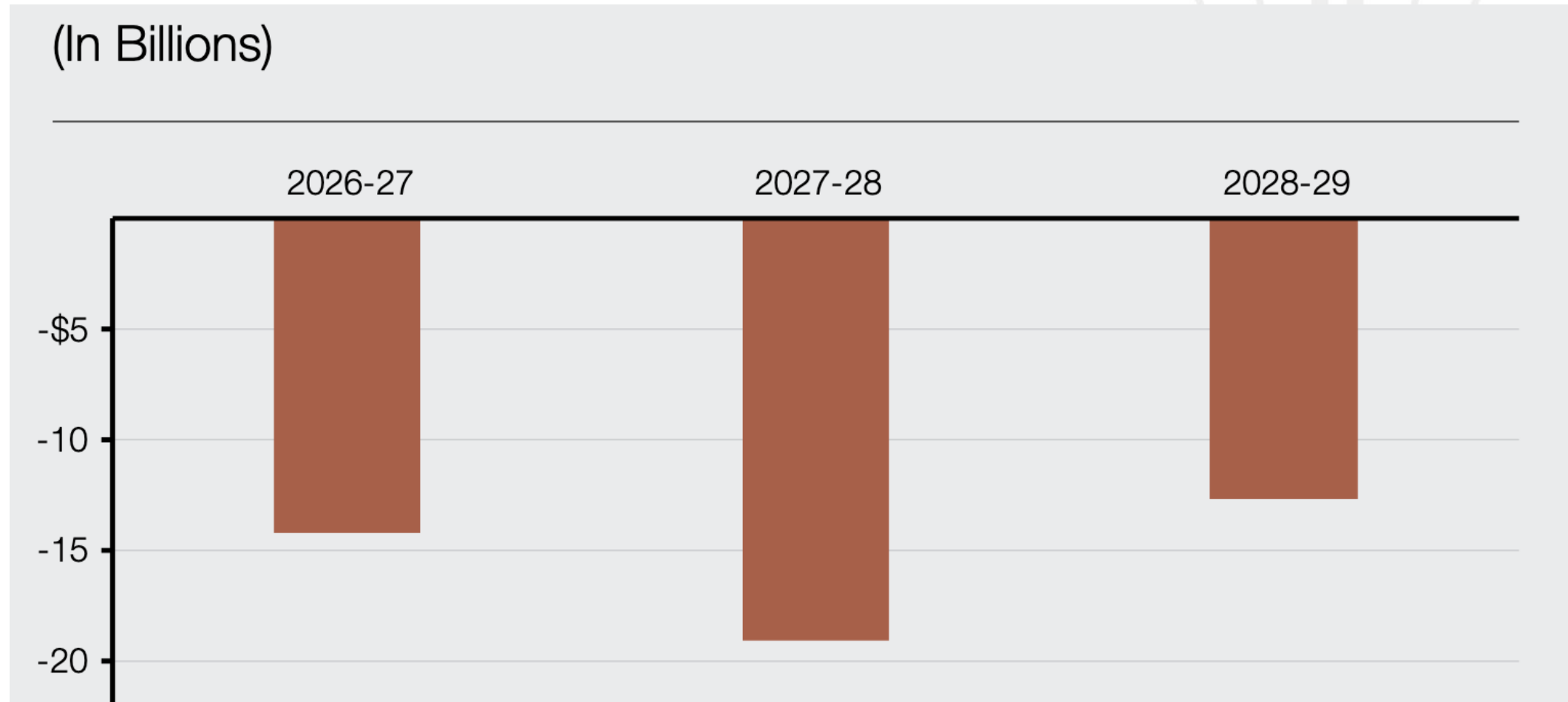
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Budget Update

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



Legislative Analyst's Office: Rough Days Ahead



LEGISLATURE'S VERSION
of the
2025-26 STATE BUDGET



Senate Bill 101

Senator Mike McGuire

President pro Tempore

Senator Scott Wiener

Chair, Committee on Budget and Fiscal Review

Health of Reserves

Budget Stability Account (BSA)

May Revision

- \$11.2 billion

Legislative Proposal

- \$11.2 billion

Special Fund for Economic Uncertainties

May Revision

- \$4.5 billion

Legislative Proposal

- \$2 billion

SCFF and Categorical Programs Cost-of-Living Adjustment

January Proposal

2.43% cost-of-living adjustment worth \$230.39 million

May Revision

2.3% cost-of-living adjustment worth \$217.9 million

- ongoing decrease of \$12.9 million in the Proposition 98 General Fund for the SCFF
- ongoing decrease of \$122,000 in the Proposition 98 General Fund for select categorical programs and the Adult Education Program

Legislature's Proposal

- Approve May Revision

SCFF Growth Adjustment

January Proposal

0.5% for enrollment growth worth \$30.44 million (ongoing)

May Revision

2.35% for enrollment growth worth \$109.5 million (ongoing)

Legislature's Proposal

- Approve May Revision (\$139.9 million total, ongoing)
- Additional \$100 million (one-time) in 2024-25

Adjustments and Backfills



Local Property Tax Adjustments— An ongoing increase of \$89.6 million Proposition 98 General Fund offsetting local property tax revenues



Fire-Related Property Tax Backfill—

One-time fire-related property tax backfill of \$3.8 million in 2024-25
\$8.1 million (one-time) in 2025-26 for impacted community colleges

Student Centered Funding Formula (SCFF) Base Adjustment



One-time increase of \$210.2 million to fully fund the SCFF in 2024-25



An ongoing increase of \$104.7 million to fully fund the SCFF in 2025-26



To fully fund the SCFF, the May Revision uses \$59 million from the Proposition 98 Rainy Day Fund to support SCFF costs in 2025-26

Prop 98 Rebenching



The May Revision includes a shift in how Transitional Kindergarten (TK) expansion funds were distributed between TK-12 schools and community colleges



Proposes to shift the full amount of funding for TK expansion to the TK-12 education side of the Proposition 98 budget



Reducing resources for community colleges by \$492.4 million over the three-year budget window



Represents a permanent ongoing reduction of \$230 million



Rejects the shift in 2023-24 and 2024-25 to return \$260 million in prior year and current year funding to the community colleges

Collaborative Enterprise Resource Planning (ERP) Project

January Proposal

\$168 million one-time funds for Statewide Technology Transformation

May Revision

Withdrawn

Legislature's Proposal

Approve May Revision

Common Cloud Data Platform

January Proposal

- \$133.5 million for the Statewide Common Data Platform (one-time)
- \$29 million for the Statewide Common Data Platform (ongoing)

May Revision

- \$12 million one-time Proposition 98 General Fund for this initiative (one-time)
- Withdrawn (ongoing)

Legislature's Proposal

- Approve \$12 million (one-time) but project must go through the California Department of Technology Project Approval Lifecycle process

Credit for Prior Learning and Career Passport

January Proposal

- \$93 million credit for prior learning and career passport (one-time)
- \$7 million for credit for prior learning and career passport (ongoing)

May Revision

- The Career Passport proposal \$25 million (one-time)
- The Credit for Prior Learning proposal \$15 million (one-time)
- \$5 million (ongoing)

Legislature's Proposal

- Reject Career Passport funding of \$25 million (one-time)
- Reject the \$15 million (one-time)
- Retain the \$5 million (ongoing) to support the Credit for Prior Learning Initiative –
Adopt trailer bill language

Rising Scholars

January Proposal

\$30 million for the expansion of the Rising Scholars Network (ongoing)

May Revision

\$10 million augmentation for the Rising Scholars Network (ongoing)

Legislature's Proposal

Approve May Revision

Comparison of Proposed Deferrals: CCC Apportionments from 2025–26 to 2026–27

May Revision

Proposes deferral for the month of May and June into July of \$531.6 million

Legislative Proposal

Proposes a deferral from June to July of \$377.5 million*

*Reappropriates \$135 million Proposition 98 General Fund from the 2024-25 funding for the Part-Time Faculty Health Insurance program to help buy down the 2025-26 deferral

Public School System Stabilization Account (PROPOSITION 98 RAINY DAY FUND)

May Revision

- Proposition 98 Guarantee decrease triggered mandatory withdrawal of \$540 million in 2025-26
- Exhausting the remaining fund balance

FROM Assembly Document:

- Dedicates up to \$1.3 billion in “settle-up” in May 2026
- Appropriates \$650 million in discretionary deposits in the Proposition 98 “Rainy Day” fund (PSSSA)
- Additional settle-up funding will pay down the TK-12 and Community College Budget Year deferrals

New Legislative Proposals



Student Support Block Grant

\$80 million (one-time)



Emergency Financial Aid

\$20 million (one-time)



Financial Aid Support and Outreach to
Community College Students

\$5.1 million (one-time)



Dreamer Resource Liaisons

\$15 million (one-time)

New Legislative Proposals



Part-time Faculty Office Hours

\$44 million (one-time)



EMT/paramedic Pre-Apprenticeship Academies

\$10 million (one-time)



Reimbursements for Firefighter Apprenticeship Training

\$6.33 million (one-time)

Facilities



Approves the Governor's Budget
and May Revision proposals

To support Proposition 51 and
Proposition 2 community college
facilities projects.

California Education Interagency Council

May Revision

Withdrawal of \$5 million ongoing General Fund for the California Education Interagency Council, part of the implementation of the Master Plan for Career Education

Legislative Proposal

Approve legislative proposal of \$5 million General Fund in 2025-26 and ongoing to establish the Office of the California Education Interagency Council

What Comes Next?



Approval of Legislative Proposal (SB 101) satisfies legal benchmark, but is not the final budget



Assembly Speaker and President pro Tem will negotiate with Governor Newsom on a final agreement to be detailed in a separate bill



The Governor's deadline to take action on the Budget Act is Friday, June 27, 2025



Typical years have budget clean up measure following the summer legislative break. This year could contain substantive changes

Engaging the Legislature and Governor



Reject the retroactive rebenching redirecting \$259 million of prior and current year spending for community college purposes

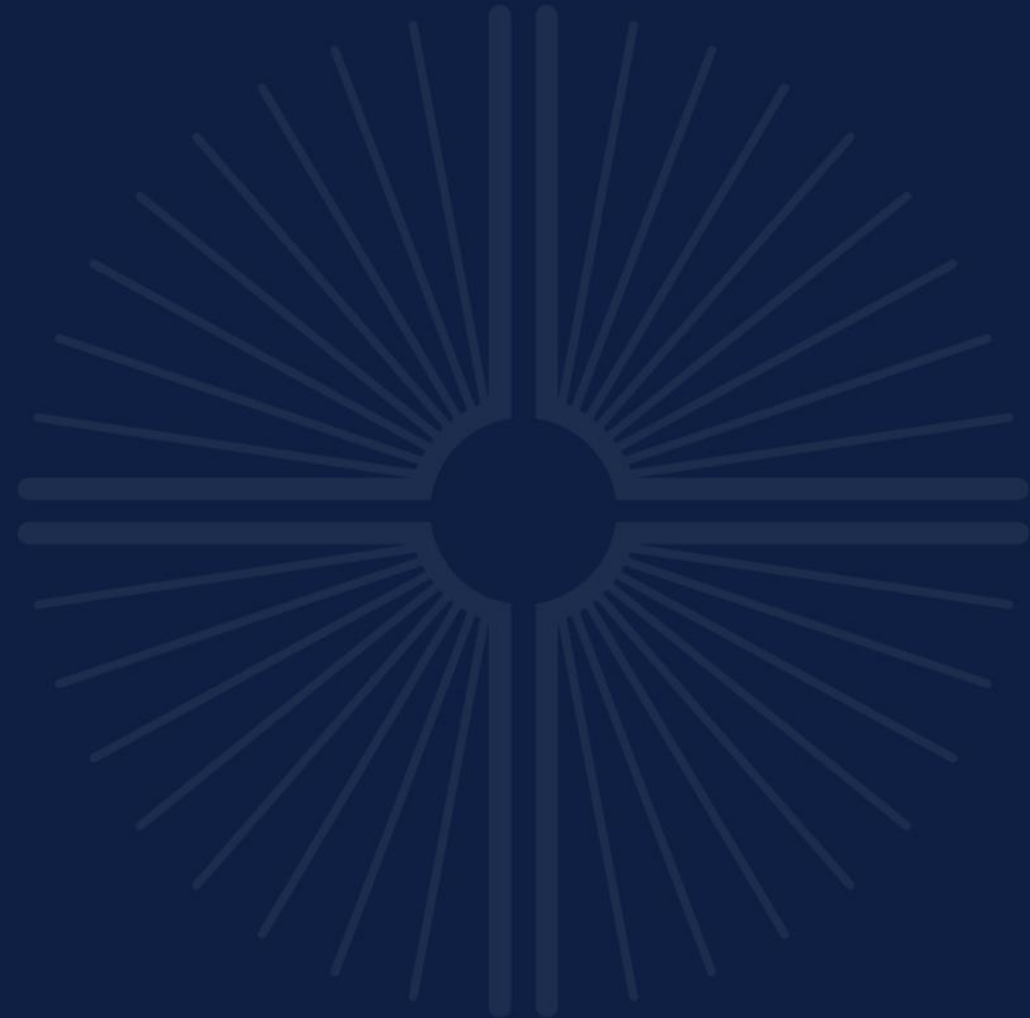
\$120 million one-time funds to support a student support block grant and emergency financial aid

Reduces from \$531.6 million to \$377.5 million the May Revise's proposed deferral

\$650 million in the special Proposition 98 rainy day fund.

Legislative Update

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



Senate Leader McGuire Announces Agreement Reached for President pro Tempore Designee Transition to Occur in early 2026

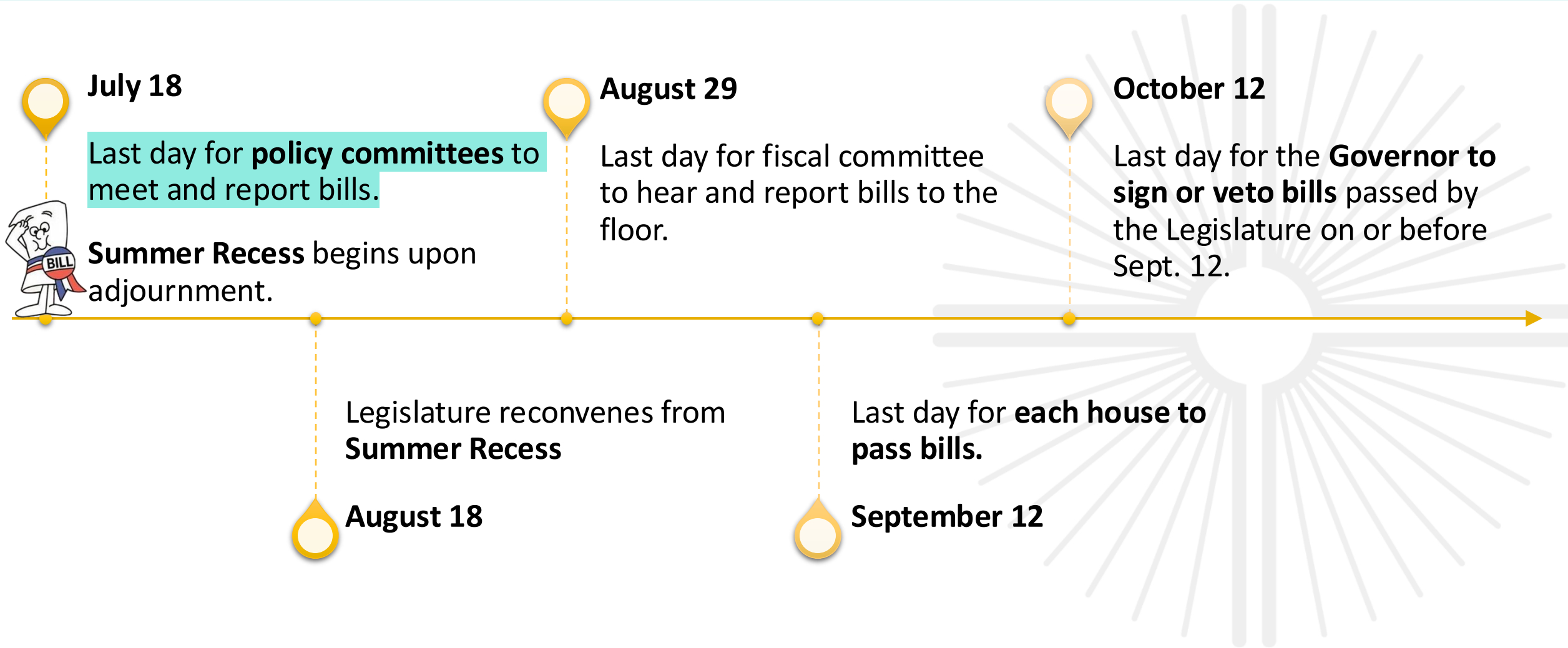
*The Senate Democratic Caucus unanimously elected **Senator Monique Limón** as the President pro Tempore Designee on June 9, 2025.*

*Senator Limón represents California's 21st Senate District, which includes **Allan Hancock College, Oxnard College, Ventura College, and Santa Barbara City College.***



Legislative Timeline

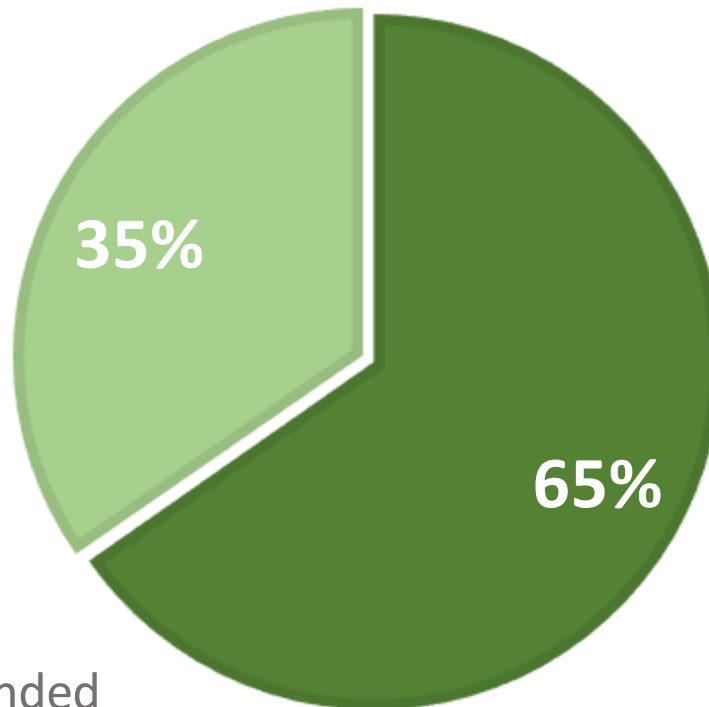
Second House Deadlines



Suspense Results

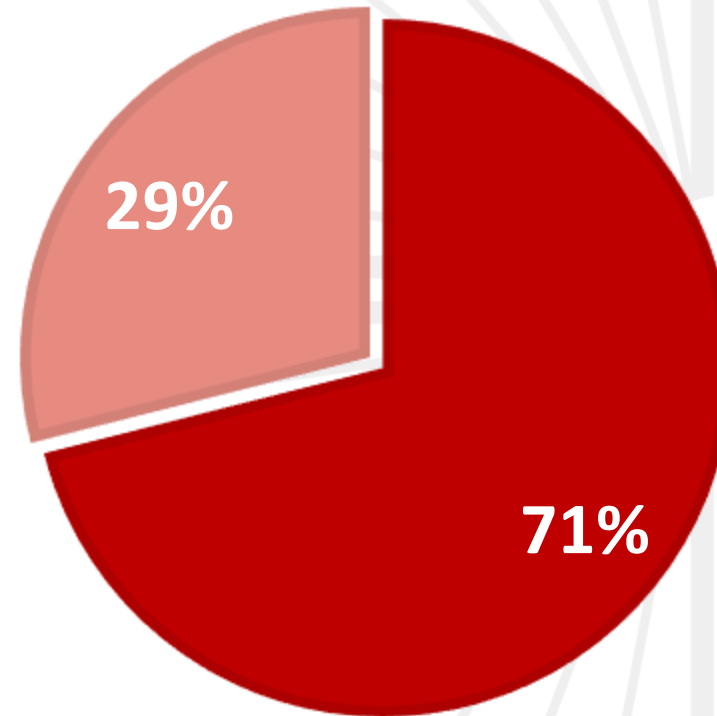
ASSEMBLY RESULTS

■ DP/DPA ■ Held



SENATE RESULTS




■ DP/DPA ■ Held






DP = Do Pass
DPA = Do Pass as Amended
Held = Not Moving Forward

Suspense Results - Key Results

BILLS WITH A LEAGUE **OPPOSE POSITION** THAT ARE NO LONGER MOVING FORWARD




-  ☐ AB 1163 (Elhawary): Workplace violence prevention plans: topics and trainings.
-  ☐ AB 1247 (Garcia): Contracting out: training requirements for classified employees.
-  ☐ AB 850 (Pacheco): Institutional Debt Transparency Act.

BILLS WITH A LEAGUE **SUPPORT POSITION** THAT ARE MOVING FORWARD



-  ☐ AB 323 (Fong) –:Strong Workforce Program: work-based learning opportunities.
-  ☐ AB 731 (Fong): Dual enrollment: CCAP partnerships.
-  ☐ AB 1400 (Soria): Baccalaureate Degree in Nursing Pilot Program.

Suspense Results Continued



BILLS WITH A LEAGUE **OPPOSE POSITION THAT ARE MOVING FORWARD AND WE WILL CONTINUE TO OPPOSE:**

-  AB 340 (Ahrens): Employer-employee relations: confidential communications.
-  SB 226 (Cabaldon): Territory transfers between community college districts.
-  SB 494 (Cortese): Disciplinary hearings for classified employees: contracted ALJs.

BILLS WITH A LEAGUE **SUPPORT POSITION THAT ARE NO LONGER MOVING FORWARD:**

-  AB 335 (Gipson): California Black-Serving Institutions Grant Program.
-  AB 363 (Bryan): CalWORKs Recipients Education Program.

BILLS WITH NO LEAGUE POSITION THAT ARE NO LONGER MOVING FORWARD:

-  AB 1433 (Sharp-Collins): Funding for noncredit instruction.
-  AB 934 (Berman): Degrees, certificates, and education plans.

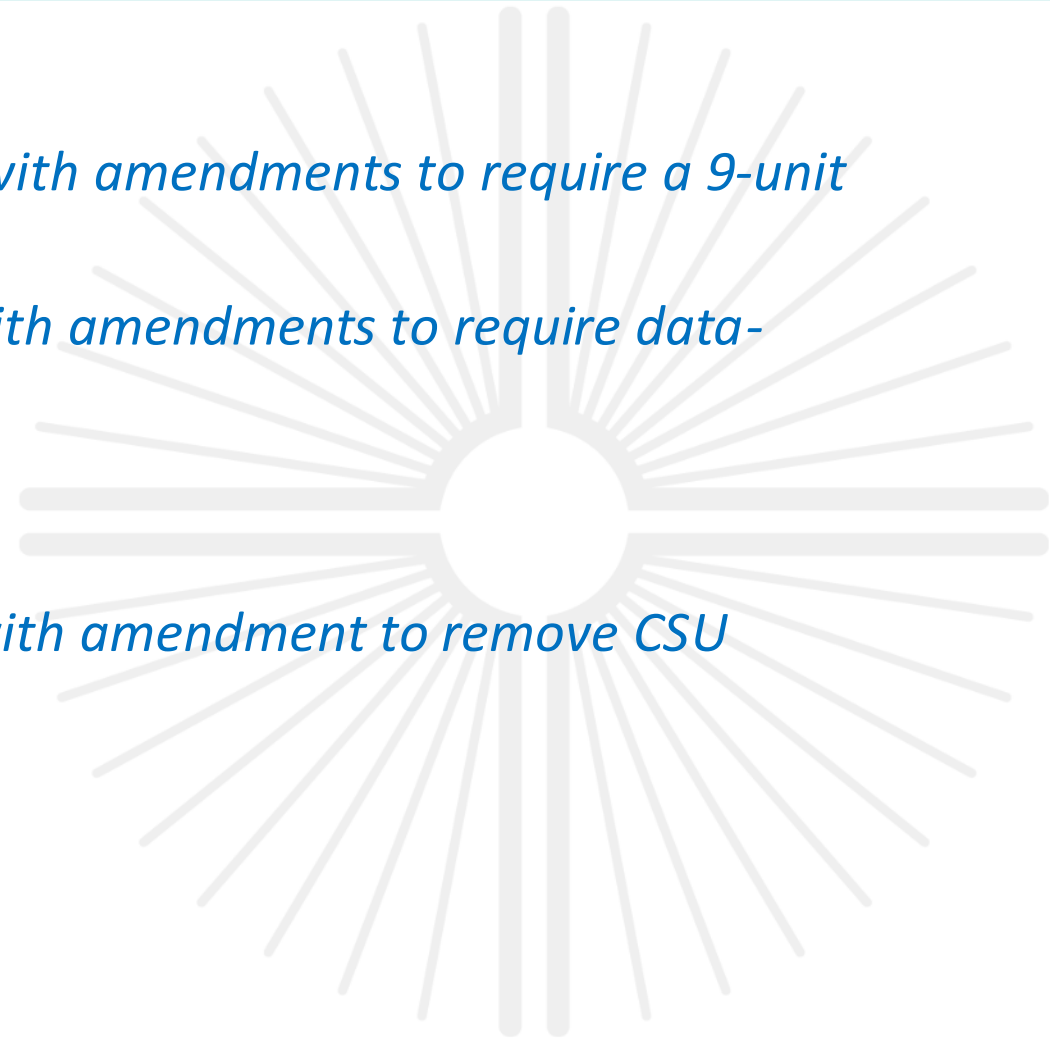
Suspense Amendments

BILLS WITH A LEAGUE SUPPORT:

- AB 537 (Ahrens): California College Promise; *passed with amendments to require a 9-unit minimum*
- SB 761 (Ashby): CalFresh student eligibility; *passed with amendments to require data-sharing agreements*

BILLS WITH A LEAGUE OPPOSE:

- AB 90 (Jackson): Overnight student parking; *passed with amendment to remove CSU from the scope*



Call to Action

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



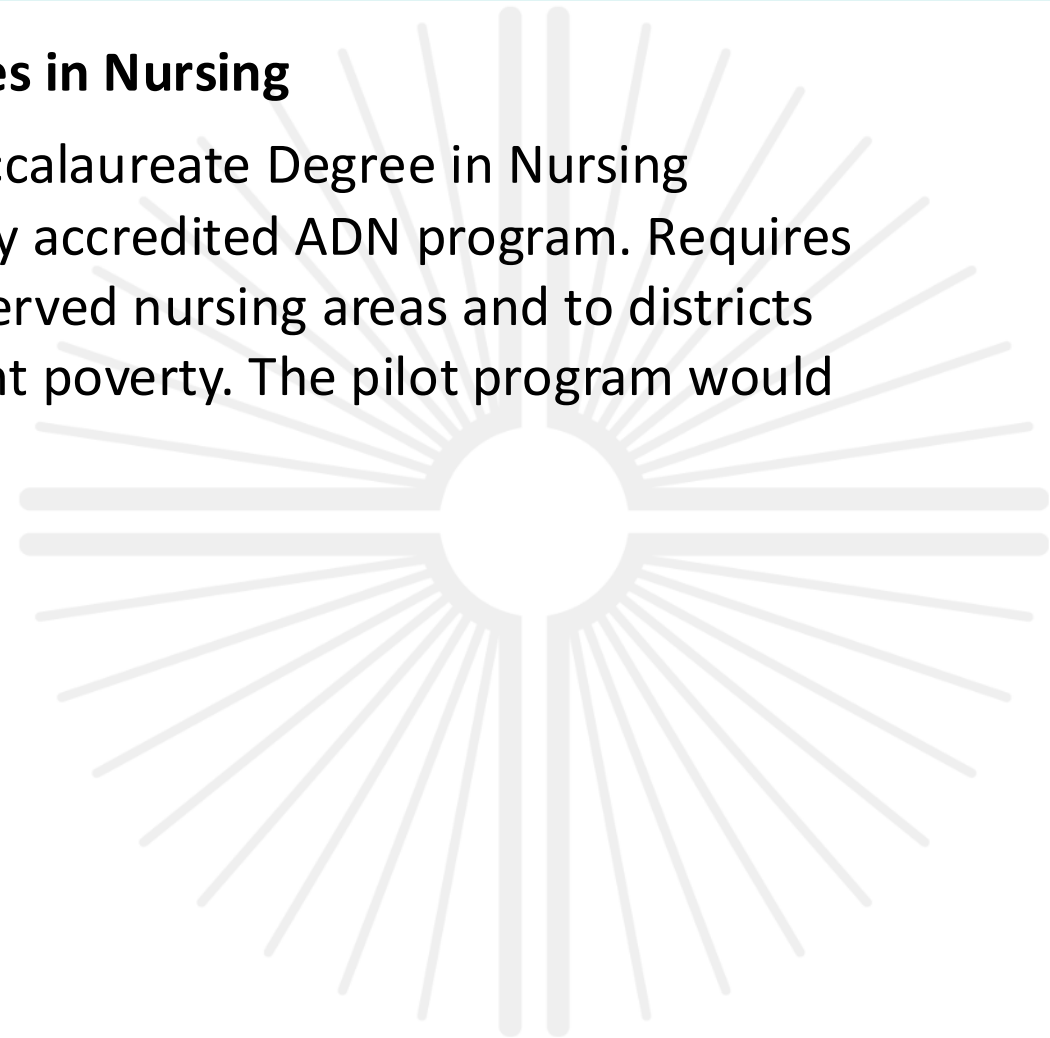
Nursing

AB 1400 (Soria): Community College Baccalaureate Degrees in Nursing

Authorizes 15 community college districts to establish a Baccalaureate Degree in Nursing program. Requires participating colleges to have a nationally accredited ADN program. Requires the Chancellor's Office to give priority to districts in underserved nursing areas and to districts where the service area includes communities with persistent poverty. The pilot program would sunset in 2035.

Location: Senate Rules

Position: SUPPORT



Call to Action: AB 1400 (Soria)

Express your district's support for AB 1400 by joining the League's support letter

To join our support letter, please email the following to Nune Garipian at nune@ccleague.org by Thursday, June 26th:

- College/District Logo
- CEO e-signature

Student Services

AB 90 (Jackson): Overnight student parking

Requires the governing board of each community college district to create a plan to establish an overnight parking program with 50 parking spots per community college. The governing board must vote on the plan annually until it is approved.

Concerns:

- Implementing this measure would result in **ongoing costs of \$623,000 per campus, or \$72 million systemwide.**
- We believe resources would be better utilized toward the advancement and expansion of long-term solutions, such as stable student housing and expanded financial aid services.
- For short-term housing solutions, we believe resources would be better utilized to fund current short-term housing solutions offered by colleges.

Location: Senate Rules

Position: OPPOSE

Call to Action: AB 90 (Jackson)

Express your district's opposition against AB 90 by joining the League's oppose letter

To join our opposition letter, please email the following to Nune Garipian at nune@ccleague.org by Thursday, June 26th:

- College/District Logo
- CEO e-signature

Joint Legislative Audit Committee Hearing

June 18, 2025, at 9:30 am in the State Capitol, Room 126

Community College Audits Requests for Consideration:

- **California Community Colleges – Reserve Fund Oversight**
(Senator Archuleta)
- **California Community Colleges – Financial Aid and Enrollment**
(Assemblymember Rubio)

TUESDAY, JUNE 10, 2025

35

COMMITTEE HEARINGS—Continued

WEDNESDAY, JUNE 18, 2025—Continued

JOINT LEGISLATIVE AUDIT

HARABEDIAN, Chair

9:30 a.m. — State Capitol, Room 126

I. Presentation by the State Auditor

- Status Report
- Work in Progress

II. Audit Requests for Consideration (Heard in Sign-In Order)

1. 2025–107 Coachella Valley Unified School District – Contract and Fiscal Management (Assembly Member Gonzalez)
2. 2025–108 California Community Colleges – Reserve Fund Oversight (Senator Archuleta)
3. 2025–109 Kindergarten Oral Health Assessment (Assembly Member Bonta)
4. 2025–110 California Institution for Men – Infrastructure Management (Assembly Member Rodriguez)
5. 2025–111 Pesticide Use – Regulatory Oversight (Assembly Member Connolly)
6. 2025–114 Los Angeles Fires – Prevention and Response (Assembly Member Harabedian)
7. 2025–115 Department of Water Resources – Delta Conveyance Project (Assembly Member Ransom)
8. 2025–117 Victims Restitution – State and Local Oversight (Senator Ashby)
9. 2025–119 California Community Colleges – Financial Aid and Enrollment (Assembly Member Rubio)
10. 2025–120 East Bay Transit Agencies – Administrative Oversight (Senator Wahab)
11. 2025–121 Chino Hills State Park – Wildfire Management (Senator Seyarto)
12. 2025–122 Riverside Unified School District – STEM Center (Senator Cervantes)
13. 2025–128 Los Angeles County Department of Public Health – Chiquita Canyon Landfill (Assembly Member Schiavo)



Presentation
Submission
Deadline
Extended until
June 20!



It sounds like the simplest ingredient for success: **Focus**.

Focus on the mission, on equity, on the students. Yet in a hyperconnected, uncertain era, our energies are diffused by interminable to-do lists, technology interruptions, and 24/7 distractions. What would our lives be like if we could direct our attention to what truly matters? What would our impact be if we were given permission to do one thing, and do it well? With focus, we serve with greater intention, lead with purpose, and reaffirm our direction.

Submit a proposal here:

<https://www.surveymonkey.com/r/PML7WL6>





Registration will close on Friday, July 25, 2025,
at 5:00 p.m. or when space fills.



Register Now

<https://www.ccleague.org/event/2025-student-trustee-workshop/>

Upcoming GR Webinars

~~July 15~~ canceled

August 19

September 16

October 21



Register Here

Contact Us:

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Nune Garipian
nune@ccleague.org

Kristal Padilla
kristal@ccleague.org



Thank you!

Connect with the League online!



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of California



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