

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA



January 10, 2011

Dear Andy,

Governor Jerry Brown [just released his proposed budget](#) for the 2011-12 fiscal year and, as expected, it contains a lot for everyone to hate. The plan cuts spending by \$12.5 billion and increases revenue by \$12 billion, mostly by asking the voters to extend existing temporary taxes. With \$1.9 billion in other solutions, the proposal would balance the budget and create a \$1 billion reserve.

For community colleges, the spending plan proposes:

- cutting community colleges by \$400 million by "reforming census dates"
- providing 1.9% enrollment growth funding (\$110 million)
- increasing fees to \$36 per unit, generating \$110 million
- other modest accounting changes

The \$400 million cut eliminates funding for 90,500 full-time students, or over 215,000 headcount students through an accounting gimmick. After enrollment growth, funding will be eliminated for 67,856 FTES, or 161,141 students.

This is a disaster for California, considering community colleges continue to experience record demand due to high unemployment, returning veterans and record high school graduations. The proposed fee increase of 38% on top of a 30% increase two years ago certainly feels like the end of an era of sticker-price affordability in California's community colleges.

These cuts assume the voters approve \$12 billion in additional revenues at a June election. ***If "revenues are taken of the table," as argued by some, the community college share would require an additional \$500 million cut in each of the next five years--a \$2.5 billion cut.***

We will be looking at these cuts in the context of the rest of the budget to ensure community colleges are only being asked to contribute their fair share of budget solutions. While the proposal would hold K-12 harmless from cuts, it proposes \$500 million cuts each to the University of California and California State University.

While it may be nonsensical for community colleges to be further cut during these woeful economic times, we have to acknowledge that the time has come for California's budget to be brought into balance. Assuming modest economic growth and freezing spending in several areas, including for our public universities, the Legislative Analyst projects an average annual budget shortfall of \$17.8 billion over each of the next five years.

My liberal friends will abhor this budget for the proposed cuts to welfare, health care and support and services for disabled Californians. My conservative friends will argue that the proposed tax extensions will only delay California's economic recovery. Each of these perspectives are correct to some extent. However, I believe that mainstream public opinion will quickly reach the conclusion that only through a combination of cuts and revenue increases will this structural problem be corrected so that we, as one California, can once again believe better days are ahead.

We will have detailed analysis tomorrow and Wednesday during our free budget webinars. If you have

not signed up yet to get an access code, visit www.ccleague.org/signup.

Also, today we are launching our new [Budget Advocacy Action Center](http://www.ccleague.net) at www.ccleague.net. This will be the repository for League staff analysis, news updates, impact on your colleges, and budget advocacy alerts. Stay tuned throughout the day and week as we continue to update the site with the latest budget details.



As last year, we encourage you to send any question or comments to budget@ccleague.org, where one of the members of our budget advocacy team can respond.

Sincerely,

A handwritten signature in black ink that reads "Scott".

Scott Lay
President and Chief Executive Officer
Orange Coast College '94