



A DEFINING MOMENT

Community College League of California

May 31, 2011

Dear Andy,

The end of last week brought a flurry of activity in the State Capitol. Since many of you were out of the office on Friday, we decided to hold our update until today to avoid being buried in the long-weekend e-mail.

State Budget

In each house, the subject-area budget subcommittees reviewed the governor's May Revise and proposed changes to the spending plan that was adopted in March, but which is intentionally [still held up in the "enrollment" process between the Legislature and the governor](#).

The table below gives a summary of where we are at:

	March Budget (SB 69)	Governor's May Revise	Assembly Subcommittee	Senate Subcommittee
General Fund Apportionment Reduction	-\$400 million	-\$400 million	-\$400 million	-\$400 million
Student Fees (General Fund Apportionment Increase)	\$36/unit (\$110 million)	\$36/unit (\$110 million)	\$36/unit (\$110 million)	\$36/unit (\$110 million)
Deferral Reduction	None	\$350 million	\$410.7 million	\$347 million
Other Adjustments		<ul style="list-style-type: none"> recognition of additional property tax revenue to close apportionment shortfall 	<ul style="list-style-type: none"> recognition of additional property tax revenue to close apportionment shortfall 	<ul style="list-style-type: none"> recognition of additional property tax revenue to close apportionment shortfall suspended mandates

		<ul style="list-style-type: none"> • proposed suspension of certain state mandated programs 	<ul style="list-style-type: none"> • \$25 million to backfill student fee shortfall • rejected May Revise mandate changes 	for Sexual Assault Response Procedures and Student Records and changed the Enrollment Fee Collection mandate to be technically claimed under the Student Financial Aid Administration categorical
--	--	--	---	---

As of right now, we are told that a formal "Conference Committee" process to reconcile the differences between the spending plans of the two houses is not planned. Leadership in all four legislative caucuses publicly state that they anticipate a budget by June 15, although it is unclear whether there has been any movement toward agreement on either the tax extensions or additional spending cuts needed to make the budget balance.

With the pressure to pass a budget by June 15 this year, without which legislative pay checks and per diem payments would be forfeited for the first time, there is some optimism that a deal can be reached in the next fifteen days. While there have been some interpretations that the Legislature met the budget passage requirement by "passing" SB 69 on March 17, it will be up to State Controller John Chiang. Chiang, who is expected to run for Treasurer next, is unlikely to take the liberal interpretation of the word "pass" and few legislators would like to see a public showdown over the issue.

The next steps will be increased pressure to reach a budget deal by June 15, and we'll be launching some new advocacy campaigns in the next few days.

As always, if you have any questions, don't hesitate to e-mail us at budget@ccleague.org.

State Legislation

Last week was the deadline for the fiscal committees in each legislative house to send bills to the floor for consideration before the June 3 deadline for bills to pass from their "house of origin." This meant that the Senate and Assembly Appropriations Committees considered large numbers of bills on their "suspense files" in marathon sessions with no public comment on Thursday and Friday.

The suspense files are officially used to manage the total number and cost of bills moving through the process and, unofficially, to allow bills to die without an official vote to kill them.

Our Legislative Office is working on an update to our Bills of Interest and will be [posting it shortly](#). Meanwhile, you can [check the status of the major bills we are following](#).

Sincerely,

A handwritten signature in cursive script, appearing to read "Scott".

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

Community College League of California
2017 O Street, Sacramento, California 95811
916.444.8641 . www.ccleague.org