



## **Budget Update: 2021-22 Budget Summary**

### **July 17, 2021**

#### **INTRODUCTION**

The California Legislature passed the main budget bill – Assembly Bill 128 – on June 14, 2021, and the Governor signed the bill on June 28, 2021. The provisions of the bill took effect on July 1, 2021. However, because of outstanding issues remaining unresolved between the Governor and the Legislature, negotiations on the budget after AB 128 was signed continued. The result of those negotiations, Senate Bill 129, referred to as “Budget Bill Junior,” was passed by the Legislature and signed by the Governor on July 12, 2021. SB 129 made several adjustments to the main budget bill.

Subsequently, the Legislature passed two budget “trailer bills” that made other significant changes to the 2021-22 budget impacting the members of the California Faculty Association and their students: Assembly Bill 130 (K-12 budget trailer bill) and Assembly Bill 132 (Higher Education budget trailer bill).

The analysis below summarizes the major components of the main budget bill (AB 128) and the adjustments made to the budget included in SB 129, as well as provisions in AB 130 and AB 132 as they impact the students and staff of the California State University (CSU).

#### **Restoration of the \$299.1 Million Budget Cut from 2020-2021**

Full restoration of the 2020-21 state budget cut of \$299.1 million from the California State University.

#### **Increase in Base Funding by Five Percent**

A 5 percent increase in base funding – or \$185.9 million. This increase in base funding includes specific conditions for receipt of these funds.

- Maintain resident undergraduate tuition and fees at current levels for the 2021-22 academic year.
- Better align student learning objectives with workforce needs.
- Create a new stand-alone dual admissions pathway enabling first-time freshman applicants to be considered for guaranteed admission to the CSU campus of their choice upon completion of an Associate Degree for Transfer (ADT) or another transfer pathway at a California Community College (CCC).

**One-Time Investment in Deferred Maintenance**

\$325 million in one-time funds made up of a combination of \$150 million from the federal American Rescue Plan Act of 2021 and \$175 million from the state General Fund to address deferred maintenance and energy efficiency projects at CSU campuses.

**Low-Cost Student Housing Grant Program**

\$500 million one-time General Fund allocation split evenly between 2021-22 and 2022-23 to establish a low-cost student housing grant program focused on expanding the availability of affordable student housing at the University of California (UC), California State University and the California Community Colleges.

**One-Time General Fund to Support Emergency Financial Aid**

\$30 million in one-time funds to provide emergency financial aid for students. In addition, the budget provides \$6 million for summer financial aid for students.

**Resources for Student Mental Health Services and Basic Needs**

\$15 million in ongoing General Fund for student mental health services and \$15 million ongoing to support student basic needs. In addition, the budget also provides \$6.5 million for rapid rehousing efforts for homeless and housing insecure students.

**Investment in Faculty Professional Development**

\$10 million in one-time General Fund to support equal opportunity practices and provide culturally competent professional development for CSU faculty, including leveraging 21<sup>st</sup> century technology to improve learning outcomes.

**Resources for Enrollment Increases**

\$81 million ongoing General Fund to increase CSU undergraduate enrollment by 9,434 new students in 2022-23. In addition, the budget provides \$1 million for CSU Stanislaus to increase student enrollment at the Stockton campus by 115 students. (It must be noted that no money is allocated in this budget for enrollment increases at the UC and CSU. It is the “intent” of the Legislature to provide these dollars in the 2022-23 budget.)

**Increase in Cal Grant Awards and Changes to Eligibility**

Establishes the California Community College Expanded Entitlement Awards, which eliminates the age and time out of high school Cal Grant eligibility requirements for eligible CCC students. Specifies that CCC Expanded Entitlement Award recipients may retain their Cal Grant Award when they transfer to a UC or CSU. The budget also increases the statutory cap on the Cal Grant for Students with Dependents from \$125 million to \$250 million to maintain the maximum access award of \$6,000 for student parents. In addition, it provides \$6,000 in non-tuition support for Cal Grant students who are former foster youth. The budget also modifies, for the 2020-21 and 2021-22 award year, a Cal Grant A recipient’s eligibility who is impacted by a change of living arrangement due to the pandemic and specifies that their eligibility would be based on their financial need would they have remained on campus. In addition, the budget eliminates the age cut-off for Cal Grants. Finally, the budget expands the Middle Class Scholarship program to

cover the cost of attendance for lower and middle class UC and CSU students starting in 2022-23.

### **Funds for Campus-Based Infrastructure Projects**

- \$433 million one-time for facilities to support the transition of CSU Humboldt to a Polytechnic University and \$25 million ongoing to support this transition.
- \$60 million one-time for CSU Dominguez Hills infrastructure improvements.
- \$54 million one-time for the CSU Stanislaus Stockton Center Acacia Building.
- \$25 million for CSU Northridge Center for Equity, Innovation and Technology facility.

### **Funds for Special Projects**

- \$250 million to support a K-16 education collaborative competitive grant to create seamless pathways from high school to postsecondary education.
- \$10 million for the Computing Talent Initiative at the CSU Monterey Bay campus.
- \$10 million one-time General Fund to support the Asian American Studies Department at San Francisco State University to support the “Stop Asian Pacific Islander Hate” website and conduct other research.
- \$4.6 million for the CSU Center for California Studies.
- \$3.3 million to fund Project Rebound.
- \$1.1 million for the Student Success Network at the Education Insights Center at the CSU Sacramento campus.
- \$1 million to support the Meryn M. Dymally African Political and Economic Institute at CSU Dominguez Hills.
- \$1 million to support the CSU Fullerton Arboretum.
- \$2 million one-time General Fund to support a study on CSU non-faculty salary structures.
- \$2 million on-going General Fund to align campus learning management systems with UC and community colleges. The budget bill includes language stating that CSU may enter into discussions with UC and community colleges to align campus learning management systems.

### **Teacher Recruitment, Retention and Professional Development**

- \$1.5 billion from the General Fund over five years to provide Local Educational Agencies (LEAs) with flexible resources to fund the Teacher Effectiveness Block Grant to provide professional development to teachers, administrators and classified staff.
- \$350 million in one-time grants for the Teacher Residency Grant Program to develop new or expand, strengthen or improve, existing teacher residency programs to support shortage areas.
- \$250 million for awards to teachers who obtain National Board of Professional Teaching Standards certification. The allocation would provide \$25,000 to teachers who obtain National Board certification and who agree to teach in a high-priority school for 5 years. In addition, the grant would provide \$2,500 to teachers who initiate the process to become National Board certified when teaching at a high-priority school.

- \$200 million for the Golden State Teacher Grant program to provide grants to students in a professional teacher preparation program leading to a preliminary teaching credential.
- \$125 million over 5 years from the General Fund for the Classified School Employee Teacher Credentialing Program. The program provides grants to classified school employees with grants so that they may obtain a bachelor’s degree and their credential to teach.

### **Ethnic Studies**

- \$88,000 to support the completion of the Ethnic Studies curriculum, \$2 million to support teacher training and resources on delivering ethnic studies content to students and \$5.6 million one-time to ensure a seamless transition of community college students to the CSU.
- \$50 million General Fund allocated on a grades 9-12 per-pupil basis for the creation and/or expansion of ethnic studies.
- \$5 million General Fund to the California Department of Education to provide professional development in ethnic studies.

### **Teacher Credentialing**

- Exempts from the basic skills proficiency requirement (California Basic Educational Skills Test – CBEST) an applicant who earns at least a “B” in qualifying coursework determined by a credential preparation program or the Commission on Teacher Credentialing (CTC) to sufficiently serve as an indicator of proficiency in reading, writing and mathematics.
- Authorizes a candidate for the preliminary multiple or single-subject teaching credential to demonstrate subject-matter competency by completing higher education coursework in the subject matters related to the content area of the credential. Exempts those candidates from the requirement to take the California Subject Exam for Teachers – CSET.

### **FOR ADDITIONAL INFORMATION CONTACT**

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