PROPOSITION 92
California Community College Ballot Initiative

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UC Board of Regents
Initiative Amends the State Constitution and State Laws

• Changes Proposition 98 funding guarantee
• Reduces Community College Student Fees
• Alters Community College Governance
Funding Provisions

• Establishes a new community college enrollment growth funding formula

• Backfills community college property tax shortfalls

• Guarantees 10.46% of Prop. 98 revenues

• Changes would require a 4/5 vote of the Legislature
Student Fee Provisions

- Reduces student fees from $20 to $15 per unit
- Restricts future student fee increases
  - Future fee increases would require a 2/3 vote of the Legislature
  - Future fee reductions would require a majority vote of the Legislature
Governance Provisions

- Codifies the current system of community college districts and a state-level board of governors into the state constitution
- Increases the number of board members and limits Governor’s appointment authority
- Mandates in the Constitution that the Legislature provide sufficient funding for the CCC Chancellor’s Office
The Legislative Analyst’s Office estimates a greater percentage of state General Fund revenues would be tied-up:

- In 2007-08 and 2008-09, $300 million each year split equally between K-12 and community colleges
- In 2009-10, $300 million almost exclusively for the community colleges
- No fiscal impact in Year 4 and thereafter

$300 million per year over 3 years, or $900 million, (<1% of the state General Fund).

Revenue to community colleges offset by $70 million loss in fee revenue.
Implications for UC

• UC is not specifically mentioned in Prop. 92
• However, it would tie up a greater percentage of state General Fund revenues
• These General Fund monies would not be available to ‘unprotected’ programs, like UC and CSU
• If UC’s state-funded budget were reduced, it could result in reductions to UC programs and added pressure to increase UC student fees
Supporters

• Californians for Community Colleges (sponsor):
  – Community College League of California
  – California Federation of Teachers
  – Faculty Association of California Community Colleges
  – Los Angeles College Faculty Guild
• California School Employees Association
• Sacramento Metro Chamber
• North Bay Labor Council, AFL-CIO
• Sacramento Central Labor Council, AFL-CIO
• California Community College Association
• Several State Senators and Assemblymembers
Opponents

- California Chamber of Commerce
- California Teachers Association
- League of Women Voters of California
- Small Business Action Committee
- California Business Roundtable
- California Taxpayers Association
- California Faculty Association
Potential Action by UC Regents

- No Position
- Neutral, noting grave concerns with the trend of tying up an increasing proportion of the state General Fund
- Oppose