

Item 10

(Information Item)

Update on 2020-21 state budget and legislation affecting Commission programs

SUMMARY:

This item provides an update on the 2020-21 State Budget and legislation relevant to the California Student Aid Commission's (Commission) programs and policy priorities.

RECOMMENDATION:

This is an information item; no action is required.

BACKGROUND:

2020-21 State Budget

Governor Newsom's proposed budget for FY 2020-21 was released in January 2020 and was significantly revised in May 2020 (known as the May Revision) in the context of COVID-19 impacts to the State Budget. Staff provided an update on key outcomes in the final 2020-21 Budget that was passed by the Legislature and signed into law by Governor Newsom.

The Commission submitted several proposals for consideration in August Trailer Bill Language (TBL). The **August Trailer Bill Proposals** attachment outlines the Commission's August TBL requests. Neither proposal was incorporated into August Trailer Bill language.

The Legislature was also waiting on potential federal relief to offset some of the funding reductions in the adopted 2020-21 State Budget. Unfortunately, Congress has failed to pass another COVID-19 relief bill at this time. This means that the reduction to the Commission's Golden State Teacher Grant (GSTG) program will likely remain in effect, pending any further federal funding received before October 15. It is anticipated that the GSTG will be implemented with the lower funding amount of \$15 million specifically for qualifying special education teachers, rather than the \$89 million originally allocated for all qualifying teachers.

State Legislation

At the March 26 Commission meeting, the Commission adopted positions on several high priority bills, including [AB 376 \(Stone\)](#) and [SB 860 \(Beall\)](#). The **Update on Priority State Legislation** attachment provides an update on the status of these high priority bills. The **Update on Other Tracked Legislation** attachment provides a brief overview of other legislation related to financial aid that Commission staff are tracking, including priority two-year bills that the Commission took positions on in 2019. The Governor has until September 30th to sign bills passed by the Legislature.

At the July 23 Commission meeting, the Commission adopted a resolution in support of Proposition 16, the legislatively referred initiative constitutional amendment to repeal Proposition 209 and allow

California Student Aid Commission

the use of affirmative action in higher education. Proposition 16 will be on the November 3, 2020 ballot.

RESPONSIBLE PERSON(S):

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ATTACHMENT(S):

August Trailer Bill Proposals

Update on Priority State Legislation

Update on Other Tracked Legislation