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Subject: What we heard about community colleges.

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

Greetings from Bakersfield. With unemployment in Kern County at 11.8%--up significantly from 7.6% just two years ago--community colleges are working harder than ever and seeing residents of all ages turning to community colleges for educational and economic hope.

As you probably know, this weekend, nearly 300 community college advocates were in Sacramento at the League's Annual Legislative Conference, which culminated yesterday in an afternoon of lobbying inside the Capitol. I wanted to take a moment to share with you what we heard at the conference and in the Capitol. Additionally, the handouts of some of the presenters are available.

- **A budget deal is widely expected in the next two weeks.** With the state's incoming cash expected to be insufficient to meet expenditure needs soon (leading to IOUs), legislators appear poised to agree to a deal--one that has enough for everyone to hate. For community colleges, the deal would minimize categorical cuts (perhaps up to $90 million in COLA, maintenance/equipment and new career-technical education funds), and use a deferral mechanism to reduce the Proposition 98 obligation without deep programmatic cuts.
- **Legislators understand that community colleges are key to economic recovery.** While the true and accrued needs of community colleges will not be funded, there is a commitment from Democratic and Republican legislators alike to invest as much as possible in community colleges. Sacramento understands that your colleges are the safety net, and there is a strong commitment to maintain access for continuing and returning students alike.
- **The elimination of the Competitive Cal Grant unfairly targets the neediest community college students.** Advocates heard from legislators that they understand that belt-tightening in financial aid shouldn't disproportionately affect poor students, particularly those that are returning after spending time in the workforce.
- **Even without deep cuts, community colleges are feeling real pain in the budget.** Community college advocates talked with legislators about the impact of the cost-of-living adjustment (COLA) suspension, which is expected in both the current (2008-09) and budget (2009-10) years. Additionally, community colleges are serving nearly 100,000 students for which they are receiving no funding. Access to and the quality of the education our colleges provide will decline until we regain the purchasing power (which is equivalent to an 11% budget cut!), and many of our faculty and staff are feeling the pain of no inflationary increase while mortgage and food costs continue to climb.
- **Federal help is on the way.** While community colleges should not expect significant new revenues from the federal stimulus package, the package should provide real help to our students. We expect a $500 increase in the maximum Pell Grant (to $5,350), and the new American Opportunity Tax Credit will provide a bigger and more accessible tax benefit to our students.
- **Californians are deeply concerned with college affordability.** Mark Baldassare, President of the Public Policy Institute of California, presented results of a poll conducted by the Institute that found that 80% of California residents believe community college fees are the "right amount" or "too high." While we, as community college leaders, may differ about the right price for a community college education, the public is cautious about dramatically higher fees.

While the budget situation in Sacramento is anything but positive, the opinion of the work you are doing on our over 200 locations touching every part of our state couldn't be higher. That is what community college advocates heard the last couple of days. Resources will fall far beneath our needs for the next couple of years, but the goodwill and commitment to continue investment in community colleges give us reason to believe that we will emerge from this budget crisis well positioned to meet the expectations of our students and communities.

Thank you for what you do every day that gives reasons for Democrats and Republicans alike to fight for community colleges through this difficult time.

Scott Lay
President and CEO