

Measure B262

INSTRUCTIONS:

Please carefully read the following description of a ballot measure that was written by a disinterested expert. Feel free to take notes or outline passages as you read.

This should take approximately 10 minutes.

BALLOT MEASURE B262

SUMMARY

This measure makes major changes to the State Constitution and state laws relating to the California Community Colleges (CCC). As shown in Figure 1, the measure affects CCC funding requirements, fee levels, and system governance. Each of the measure's key provisions is discussed in more detail below.

BACKGROUND

California Community Colleges provide instruction to about 2.5 million students annually. The CCC system is made up of 109 colleges operated by 72 districts throughout the state. The system provides a number of educational programs, including:

- Academic instruction at the lower division (freshman and sophomore) collegiate level.
- English as a Second Language courses.
- Vocational education (such as nursing and automotive technology).
- Recreational courses (such as golf and cooking classes).

Figure 1

Proposition B262: Main Provisions

✓ Education Funding Level

- Changes current minimum education funding requirement into two separate requirements: one for K–12 schools and one for community colleges.

✓ Student Fees

- Lowers community college education fees from \$20 per unit to \$15 per unit.
- Significantly limits the state's authority to increase fee levels in future years.

✓ Governance

- Formally establishes the community colleges in the State Constitution.
- Increases the size of the community colleges' state governing board and the board's administrative authority.

The CCC system spends over \$8 billion in public funds annually. About two-thirds of the funding that supports community college programs comes from the state General Fund and local property taxes. The remaining one-third comes from other sources (such as student fee revenue and federal funds).

EDUCATION FUNDING LEVEL

Current Law

Each year, the state must provide at least a minimum level of funding for elementary and secondary schools (K–12) and the community colleges (together called K–14 education). This requirement, adopted by voters in 1988 through Proposition R393, is met using both state General

Fund and local property tax revenues. Each year, the Proposition R393 formula calculates a new K-14 minimum amount of financial support by adjusting the previous year's level based on changes in the economy and K-12 attendance. (Community college enrollment is not a factor in calculating the minimum K-14 funding level.) An additional requirement specifies that K-14 education must receive at least a specified percentage (about 40 percent) of General Fund revenues each year.

Each year, the state allocates Proposition R393 funding between K-12 schools and community colleges. In recent years, community colleges have received between 10 percent and 11 percent of total Proposition R393 funds.

PROPOSAL

As noted above, existing law guarantees a certain minimum amount of annual financial support for K-14 education. Proposition 92 replaces this single requirement with two: one for K-12 education and one for community colleges. These new minimum funding requirements would take effect in 2007-08 and be based on spending in 2006-07.

The new K-12 funding formula would use the same year-to-year growth factors as under current law. The same would be true for the new CCC funding formula, with one important exception. Specifically, in place of K-12 attendance, a new growth factor based primarily on the young adult population would be used for calculating the community college minimum funding level. This population growth factor uses the greater of two population growth rates: (1) state residents between 17 and 21 years of age or (2) state residents between 22 and 25 years of age. The growth factor is further increased in any year that the state's unemployment rate exceeds 5 percent. (The state unemployment rate exceeded 5 percent in 13 of the past 15 years.) However, the measure limits the total community college population growth factor to no more than 5 percent in any year.

Unlike the K-12 funding guarantee, the community college funding requirement would not be adjusted to reflect how many students are actually served. That is, there would be no direct relationship between required CCC funding levels and actual student enrollment.

The measure would not change the existing requirement that roughly 40 percent of General Fund revenues be spent on K-14 education. Consequently, Proposition 92's new funding formulas would not apply in years when K-14's share of General Fund spending was less than this level. In these years, the existing single minimum funding requirement would apply and the state would continue to have discretion over how to allocate funds between K-12 schools and community colleges.



STOP!

Please go to the online survey, enter the 4-character code for this ballot measure (printed at the top and bottom of this page) and answer the survey questions.