The Budget’s unprecedented level of investment in higher education reflects a continued commitment to affordability, more accessible institutions, higher quality programs, equitable outcomes, and more efficient degree pathways—all of which are critical for driving upward mobility across the state.

The Budget includes total funding of $47.1 billion ($25.7 billion General Fund and local property tax and $21.4 billion other funds) for all higher education entities in 2021-22. The state’s three public segments—the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC)—receive substantial ongoing base augmentations, and the Budget includes significant investments to make postsecondary education more affordable, including expanding the state’s Cal Grant program to additional CCC students. Also included are investments to make college savings accounts widely available to low-income children; provide grants to advance training and education for workers impacted by the COVID-19 Pandemic; promote learning-aligned, long-term career development opportunities; and support regional K-16 education collaboratives focused on streamlining educational pathways leading to in-demand jobs.

University of California

The COVID-19 Pandemic underscored the importance of being able to act swiftly to adjust operations to best support students and complex university operations. To support a model that enables the UC Office of the President to further collaborate with
campuses to implement systemwide efforts that enable campuses to better serve students and operate more efficiently, the Budget consolidates the separate funding items for the UC Office of the President, UC PATH, and UC campuses into one item, adds additional transparency through enhanced reporting and enables the UC Office of the President to return to a campus assessment model.

Notable ongoing investments for the UC include:

- $475.6 million General Fund for UC operations, including $302.4 million General Fund to offset the ongoing reduction applied to the UC in the 2020 Budget Act, and $173.2 million General Fund for a five-percent base increase.
- $32.1 million General Fund for the UC Division of Agriculture and Natural Resources.
- $15 million General Fund for student mental health resources.
- $12.9 million General Fund for UC Programs in Medical Education (UC PRIME).
- $3 million General Fund for the UC Los Angeles Latino Policy and Politics Initiative.
- $3 million General Fund for animal rescue operations in natural disasters.
- $2 million General Fund augmentation for summer-term student financial aid in 2021-22 (resulting in a total of $4 million ongoing).
- $1 million General Fund for the California Vectorborne Disease Surveillance Gateway.
- $1 million General Fund to support adoption of a common intersegmental learning management system.
- $300,000 General Fund to supplement funding available for immigration legal services.

Notable one-time investments for the UC include:

- $325 million General Fund for deferred maintenance and energy efficiency projects.
- $50 million General Fund for the Charles R. Drew University medical education program.
- $45 million General Fund for the UC Davis animal shelter grant program.
- $30 million General Fund for the UC San Diego Hillcrest Medical Center.
- $25 million General Fund for UC Riverside School of Medicine facilities.
- $22.5 million General Fund for Support Student Academic Preparation and Educational Partnership (SAPEP) programs.
- $21 million General Fund for the UC Davis Institute for Regenerative Cures.
- $20 million General Fund to support the California Institutes for Science and Innovation.
- $15.2 million General Fund for dyslexia research and screening tool pilot projects.
- $15 million General Fund to support emergency financial assistance grants for students.
- $15 million General Fund for the UC Los Angeles Lawson Labor Center.
- $15 million General Fund for UC Riverside Center of Environmental Research and Technology facilities.
- $65.7 million to support various programs, services, and research at UC campuses.

**California State University**

The Budget provides resources to support Humboldt State University becoming the state's third designated polytechnic university, and the first in northern California. Transitioning Humboldt State University to a polytechnic university will build upon the University's high concentration of programs in science, technology, engineering and math (STEM) fields, as well as applied sciences such as health, agriculture, and natural resources. Moreover, the availability of a polytechnic university on the northern California coast will improve the availability of hands-on educational opportunities in the region, preparing students for in-demand careers in the North Coast region and throughout California.

To support the University's designation as a polytechnic university, the Budget provides $433 million one-time General Fund to support renovations of science and laboratory facilities, as well as enhanced computing and telecommunications infrastructure—as the campus transitions to a polytechnic university, and $25 million ongoing General Fund to support the addition of academic programs, such as programs in cyber security and technology, wildlife management, and climate resilience.
Notable ongoing investments for the CSU include:

- $484.9 million General Fund for CSU operations, including $299 million General Fund to offset the ongoing reduction applied to the CSU in the 2020 Budget Act, and $185.9 million General Fund to support a five-percent base increase.
- $25 million General Fund to support academic program transitions for Humboldt State University to become a polytechnic university.
- $15 million General Fund for the basic needs component of Graduation Initiative 2025.
- $15 million General Fund for student mental health resources.
- $3 million General Fund augmentation for summer-term financial aid in 2021-22 (resulting in a total of $6 million ongoing).
- $2 million General Fund to support adoption of a common intersegmental learning management system.
- $1 million General Fund to support increased full-time equivalent student enrollment at the CSU Stanislaus Stockton Campus.
- $1 million General Fund to support the CSU Dominguez Hills African-American Political and Economic Institute.
- $246,000 to support continued broadband access by the Corporation for Education Network Initiatives in California (CENIC).

Notable one-time investments for the CSU include:

- $325 million General Fund for deferred maintenance and energy efficiency projects.
- $60 million General Fund to support infrastructure improvements at CSU Dominguez Hills.
- $54 million General Fund to support the replacement of the Acacia building at the CSU Stanislaus Stockton Campus.
- $30 million General Fund to support emergency financial assistance grants for students.
- $25 million General Fund to support the construction of the CSU Northridge Center for Equity in Innovation and Technology.
• $10 million General Fund to support culturally competent professional development and equal employment opportunities for faculty.

• $10 million General Fund for the Computing Talent Initiative through CSU Monterey Bay.

• $18 million General Fund to support various programs and services at CSU campuses.

CALIFORNIA COMMUNITY COLLEGES

SIGNIFICANTLY REDUCING TEXTBOOK COSTS

Textbooks add considerable costs to earning a degree. To address the rising costs of textbooks, the 2016 Budget Act included $5 million one-time Proposition 98 General Fund to establish the Zero-Textbook-Cost Degree (ZTC) Grant Program to create associate degrees and career technical education certificate programs, earned entirely by completing courses that eliminate textbook costs. To further support efforts to significantly reduce student textbook costs, the Budget includes $115 million one-time Proposition 98 General Fund to develop and implement ZTC degrees and open educational resources.

Other Detailed Budget Investments

Apportionment Investments:

• Apportionments Adjustment—An increase of $395 million ongoing Proposition 98 General Fund, which includes $371.2 million for a 5.07-percent cost-of-living adjustment and $23.8 million for 0.50-percent enrollment growth.

• Repayment of 2020-21 Apportionments Deferral—A 2021-22 payment of $1.453 billion Proposition 98 General Fund for apportionments deferred from 2020-21, of which $144.6 million is from 2019-20, $1,078.9 million is from 2020-21, and $229.8 million is from 2021-22.

• Local Property Tax Adjustment—A decrease of $230.2 million ongoing Proposition 98 General Fund as a result of increased offsetting local property tax revenues.
Student-Focused Program Investments:

- **Emergency Financial Assistance Grants**—An increase of $250 million one-time American Recovery Plan Act of 2021 funds to support emergency student financial assistance grants.

- **Student Basic Needs**—An increase of $160 million Proposition 98 General Fund, comprised of $100 million one-time Proposition 98 General Fund available over three years to address student basic needs including food and housing insecurity, $30 million ongoing Proposition 98 General Fund to support student mental health services, and $30 million ongoing Proposition 98 General Fund for colleges to establish basic needs centers and hire basic needs coordinators.

- **Retention and Enrollment Strategies**—An increase of $120 million one-time Proposition 98 General Fund to support efforts to bolster CCC student retention rates and enrollment.

- **Guided Pathways**—An increase of $50 million one-time Proposition 98 General Fund to further support colleges’ efforts to implement Guided Pathways programs.

- **Categorical Program Augmentations**—An increase of $64.2 million ongoing Proposition 98 General Fund to support budget augmentations for the Student Equity and Achievement Program, Extended Opportunity Programs and Services (EOPS), the Umoja Program, the MESA Program, and the Puente Project.

- **Equal Employment Opportunity Programs**—An increase of $20 million one-time Proposition 98 General Fund to support the implementation of EEO best practices developed by the Chancellor’s Equal Employment Opportunity and Diversity Advisory Committee.

Workforce-Focused Investments:

- **CCC Strong Workforce Program**—An increase of $42.4 million ongoing Proposition 98 General Fund to increase program funding and enable community college districts to support work-based learning opportunities.

- **High Road Training Partnerships and Regional Partnerships**—An increase of $20 million one-time Proposition 98 General Fund to support CCC participation in High Road Training Partnerships and regional partnerships developed by the California Workforce Development Board.
• **California Apprenticeship Initiative**—An increase of $15 million ongoing Proposition 98 General Fund to augment the California Apprenticeship Initiative.

• **Competency-Based Education Pilot**—An increase of $10 million one-time Proposition 98 General Fund to pilot implementation of competency-based education at select community colleges.

• **CCC Registry Modernization**—An increase of $1 million one-time Proposition 98 General Fund to support the modernization of the CCC Registry, which is an online database of job opportunities for the CCCs.

**Technology-Focused Investments:**

• **Online Education and Supports Block Grant**—An increase of $10.6 million ongoing Proposition 98 General Fund to support the continuity of education and quality distance learning across the CCC system, including access to online tutoring, online counseling, and online student support services such as mental health services.

• **Common Course Numbering**—An increase of $10 million one-time Proposition 98 General Fund to plan for and begin developing a common course numbering system throughout the community college system.

• **CENIC Cost Increase**—An increase of $8 million ongoing Proposition 98 General Fund for cost increases associated with continued broadband access provided by the Corporation for Education Network Initiatives in California (CENIC).

• **Library Services Platform**—An increase of $4 million ongoing Proposition 98 General Fund to support a systemwide technology platform for library services to better manage and deliver digital information to support teaching and learning.

**Other Investments:**

• **CCC Facilities**—General Obligation bond funding of $581.4 million ($577.9 million Proposition 51 of 2016 and $3.5 million Proposition 55 of 2004), including $8.2 million to start nine new capital outlay project and $573.2 million for the construction phase of 32 projects anticipated to complete design by spring 2022. This allocation of Proposition 51 funding represents the next installment of the $2 billion available to CCCs under Proposition 51.

• **Deferred Maintenance**—An increase of $511 million one-time Proposition 98 General Fund to address deferred maintenance.
• **Faculty Investments**—An increase of $100 million ongoing Proposition 98 General Fund to hire new full-time faculty, and $100 million Proposition 98 General Fund—of which $10 million is ongoing—to support part-time faculty office hours.

• **College Augmentations**—An increase of $72.9 million one-time Proposition 98 General Fund to support local requests.

• **Adult Education**—An increase of $21.8 million ongoing Proposition 98 General Fund to reflect a 4.05-percent cost-of-living adjustment for the Adult Education Program, and $1 million ongoing Proposition 98 General Fund to support technical assistance for the Program.

• **Faculty Professional Development**—An increase of $20 million one-time Proposition 98 General Fund for culturally competent professional development for faculty, including leveraging 21st-century technology to improve learning outcomes.

• **Anti-Racism Initiatives**—An increase of $5.6 million one-time Proposition 98 General Fund to support the implementation of the provisions of Chapter 32, Statutes of 2020 (AB 1460) and systemwide anti-racism initiatives.

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**CALIFORNIA STUDENT AID COMMISSION**

**LEARNING-ALIGNED EMPLOYMENT**

The Budget includes $200 million one-time General Fund in 2021-22 and reflects an additional $300 million one-time General Fund in 2022-23 to establish and support the Learning-Aligned Employment program, which would promote learning-aligned, long-term career development for UC, CSU, and CCC students. The program will involve:

• The California Student Aid Commission administering the program, in collaboration with the University of California, California State University, and California Community Colleges.

• Strategically focusing campuses toward identifying or establishing partnerships with external employers to provide learning-aligned opportunities related to students’ fields of study, aimed at providing students with long-term career development and professional networking opportunities.
• Prioritizing learning-aligned employment opportunities for underrepresented students, particularly underrepresented students in STEM fields.

**EDUCATION AND TRAINING SUPPORT GRANTS FOR DISPLACED WORKERS**

The Budget includes $472.5 million in one-time American Rescue Plan Act of 2021 funds and $27.5 million one-time General Fund for the Student Aid Commission to establish a one-time grant program to support displaced workers seeking reskilling and up-skilling, and educational opportunities. The program will involve:

• Authorizing the Student Aid Commission to disseminate the funds to the higher education segments, and authorizing UC, CSU, and CCC campuses to receive these funds and grant them to individuals displaced from their employment due the COVID-19 Pandemic on behalf of the Commission.

• Allowing recipients to use their grants for the costs of postsecondary programs or high-quality training programs.

• Requiring at least half of the amount appropriated for this purpose to be used to provide grants to eligible individuals who are caring for a dependent child.

• Encouraging UC, CSU, and CCC campuses to match grant funds used at their institutions, which could include UC and CSU extension programs, with institutional funds.

• Specifying that the grant amounts will be determined by the Student Aid Commission, with grant amounts between $1,000 and $2,500.

**GOLDEN STATE TEACHER GRANT PROGRAM**

The Budget provides an increase of $500 million one-time General Fund for the Golden State Teacher Grant Program. These funds will be available over a five-year period to support grants to students enrolled in teacher preparation programs who commit to working in a high-need field at school sites with the highest rates of non-credentialed or waiver teachers.

**CALIFORNIA COMMUNITY COLLEGE EXPANDED ENTITLEMENT AWARDS**

The Budget provides an increase of $235.1 million ongoing General Fund to expand community college student eligibility for a Cal Grant award by eliminating the
program’s age and time-out-of-high-school requirements and to provide support for newly eligible CCC students that also qualify for the students with dependent children supplemental access award. Additionally, students now eligible to receive an award due would be able to keep their awards upon transfer to a CSU or UC. These awards will provide support for low-income community college students that have taken a nontraditional pathway to enrolling in college.

**Middle Class Scholarship Program**

The Budget provides an increase of $515 million ongoing General Fund beginning in 2022-23, for a combined total of $632 million, to support a modified version of the Middle Class Scholarship program that will focus resources toward reducing a student’s total cost-of-attendance. These awards would enable eligible students to reduce their need to borrow resources to finance their education and would enable students to reduce their need to work while attending college.

**Other Significant Investments:**

- **Cal Grant Tuition Award for Private Nonprofit Institutions**—An increase of $5.4 million ongoing General Fund to increase Cal Grant A and B awards for students attending private nonprofit postsecondary institutions.

- **Cal Grant A Eligibility**—An increase of $14.8 million ongoing General Fund to restore Cal Grant A eligibility for students impacted by a change in their living status due to the pandemic.

- **Former and Current Foster Youth Access Award**—An increase of approximately $15.1 million ongoing General Fund to provide a supplemental access award for former or current foster youth.

- **Financial Aid Applications**—The Budget includes statutory changes to require local educational agencies to confirm that all high school seniors who have not opted out complete a Free Application for Federal Student Aid (FAFSA) or California Dream Act Application beginning in the 2022-23 academic year.
SCHOLARSHARE INVESTMENT BOARD

CHILD SAVINGS ACCOUNTS

The Budget provides approximately $1.9 billion in 2021-22 ($1.8 billion one-time federal American Rescue Plan Act of 2021 funds, $91.7 million one-time General Fund, and $16 million ongoing General Fund) and reflects an additional $170 million ongoing General Fund beginning in 2022-23, to establish college savings accounts for all current low-income public school students in grades 1-12, as defined for purposes of the Local Control Funding Formula, with supplemental investments for foster youth and homeless students enrolled in a public school, and for successive cohorts of these student populations as they enter first grade. Making college savings accounts widely available to eligible students and seeding them with resources that will be invested and grow in value over time will help set children from low-income families on a path to affording postsecondary education, while helping to address equity gaps. The program will involve:

• Expanding the CalKIDS Program, administered by the ScholarShare Investment Board, to create college savings accounts targeted to low-income and underrepresented public school students, in addition to the program’s current focus toward establishing college savings accounts for all newborns.

• Establishing accounts for every student qualifying as low-income as defined by the Local Control Funding Formula (students eligible for free or reduced-price meals under the National School Lunch Program, English learners, and foster youth).

• Providing seed funding of $500 for each account, with qualifying foster youth and homeless students each receiving an additional supplemental seed deposit of $500.

UC HASTINGS COLLEGE OF THE LAW

Detailed Budget Investments

• $2.1 million ongoing General Fund for operational costs.

• $3 million one-time General Fund, available over a three-year period, for an alternative campus public safety program.

• $3.5 million one-time General Fund to establish the Bench to School Initiative.
Infrastructure Investments:

- **Library Infrastructure**—An increase of $439 million one-time General Fund for an equity-focused matching grant program to support local library maintenance, capital projects, broadband and technology upgrades, and purchasing of devices.

- **Broadband Access**—An increase of $35 million one-time General Fund available through 2024-25, to expand broadband access to isolated and under-served communities through a collaborative partnership of local education agencies, regional libraries, and telehealth providers and leverage available federal funds through the E-Rate Program.

- **Broadband Capacity and Equipment Grants**—An increase of $6 million one-time General Fund to support the Broadband Connectivity Initiative.

- **Logan Heights Library**—An increase of $2.4 million one-time General Fund for facilities restoration at Logan Heights Library in San Diego.

Education Investments:

- **English as a Second Language Programs**—An increase of $15 million one-time General Fund to support English as a Second Language programs offered through local libraries.

- **Online Tutoring**—An increase of $6.4 million one-time General Fund to support a two-year pilot online K-12 tutoring service program.

- **Early Learning and After-School Program Grants**—An increase of $5 million one-time General Fund for local library jurisdictions with the lowest per capita spending to implement early-learning and after-school programs to provide services for school-aged children.

- **Civil Liberties Program**—An increase of $5 million one-time General Fund to support grants for public education and awareness of Civil Liberties.

- **Career Online High School**—An increase of $3 million one-time General Fund to support the Career Online High School Program.
• **Database Access**—An increase of $241,000 ongoing General Fund to support K-12 Student Online STEAM database access.

Other Investments:

• **Community Outreach and Mobile Library Grants**—An increase of $3 million one-time General Fund for local library jurisdictions to purchase bookmobiles and community outreach vehicles to expand access to books and other library materials.

• **Disaster Preparedness**—A limited-term increase of $2.4 million General Fund annually for the next four years to support Disaster Preparedness for Cultural Heritage Agencies.

• **Governmental Studies Program**—An increase of $2.1 million one-time General Fund and $460,000 ongoing General Fund for the Governmental Studies Program in collaboration with UC Los Angeles and UC Berkeley.

• **California Humanities Program**—An increase of $2 million one-time General Fund for the California Humanities Program.

• **California Library Services Act**—An increase of $1.75 million ongoing General Fund to restore the 2020 Budget Act reduction to the California Library Services Act.

• **Additional direct investments**—An increase of $3.6 million ongoing General Fund and $3.2 million one-time General Fund to support various library programs and services.

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**STUDENT HOUSING**

The Budget sets-aside $2 billion one-time General Fund, over a three-year period, to establish a low-cost student housing grant program for the public higher education segments, focused on expanding the availability of affordable student housing, and to support campus expansions for the UC and CSU. Additional details are contingent upon future legislation.

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**REGIONAL K-16 EDUCATION COLLABORATIVES**

The Budget provides $250 million one-time General Fund for a grant program to support regional K-16 education collaboratives. The program will involve:
• Appropriating the funds to the Department of General Services to award grants to between five and eight regional collaboratives.

• Requiring eligible collaboratives to include at least one institution from all three segments; to include consideration of regional workforce needs; to focus on streamlining occupational pathways that lead to high-paying, in-demand jobs; and to align higher education with workforce needs.

• Requiring eligible collaboratives to adopt recommendations from the February 2021 Recovery with Equity report related to fostering inclusive institutions and facilitating student transitions.

**Dual Admissions**

Commencing with the 2023-24 academic year and through the 2025-26 academic year, the Budget includes language for UC and CSU to establish a new stand-alone dual admissions pathway enabling eligible first-time freshman applicants to be considered for guaranteed admission to the UC or CSU campus of their choice upon completion of an Associate Degree for Transfer or another transfer pathway at a California Community College.