

Governor's January Budget Summary 2024-2025

Areas of Importance

- The proposed budget projects a state deficit of \$37.9 billion due to substantial shortfall in revenues
- The overall state budget is lower than 2023-24 by 6%
- The proposed budget for California Community Colleges focuses on stability in light of the state's significant budget problem.
 - No major reductions to programs or services
 - Withdrawals from the rainy day fund to avoid major reductions
 - Cancelling certain one-time projects and programs that were established but not yet funded

Unrestricted General Fund

- Student-Centered Funding Formula – increase of \$69.1 million to fund a 0.76% (less than 1%) COLA for increased operating costs such as step, column and longevity increases, health benefits rate increases, increases to retirement rates, and operating costs increases
 - Additional revenue for GCCCD = \$1.1 million
 - Estimated increased cost for GCCCD = \$5.0 million
- \$29.6 million to fund 0.50% enrollment growth
- Withdrawals of \$235.6 million for 2023-24, and \$486.2 million in 2024-25 from the Rainy-Day Fund to support the Student-Centered Funding Formula.

Other

The budget proposal includes:

- \$60 million one-time over the next five years to expand nursing program in the community colleges and Bachelor of Science in nursing partnerships
- Continued commitment to student housing and a lease revenue bond to support housing projects already selected
- \$9.3 million to fund 0.76% COLA for certain categorical programs
 - EOPS, DSPS, CalWORKs, CARE