May Revise

Total State Budget
Governor Newsom today released his May Revise for the 2020-21 budget which proposes $133.9 billion in state general fund expenditures. Earlier this month the Department of Finance released an estimate that the State’s revenues will decline by $54.3 billion over 2019-20 and 2020-21 combined. To address this shortfall, the Governor proposes numerous budget solutions, including $8.4 billion in expenditure reductions, $10.4 billion in borrowing and deferrals, as well as using $8.8 billion from the state’s reserves.

University of California Budget
The May Revise eliminates most new investments from the January 10 Budget Introduction and reduces the ongoing base budget for UC from its 2019-20 level. The May Revise proposes a total of $3.367 billion for the University of California, of which $3.359 billion is ongoing and $6.5 million is one-time.

The proposed May Revise Budget includes a total of $3.367 billion in state general fund support for the University. This amount is a $363.6 million (9.8%) decrease in ongoing funding, as well as a $6.5 million increase in one-time funding in 2020-21. The May Revise includes a $372.4 million reduction to the University’s unallocated base budget, but this decrease is partially offset by new base budget funding for medical education. This May Revise proposal has an overall 2020-21 funding level which is $572.1 million (14.5%) lower than the Budget Act of 2019. Below are the details of the May Revise relative to the University of California;
The Governor’s May Revise proposes the following new investments for UC:

**Ongoing**
- $11.3 million for the UC Riverside School of Medicine (January 10 Budget Introduction had proposed $25 million ongoing).
- $1.2 million for the UCSF Fresno Branch Campus partnership with UC Merced (January 10 Budget Introduction had proposed $15 million ongoing).
- $345K for immigrant legal services (this item was in the January 10 Budget Introduction).

**One-Time**
- $5 million for animal shelter grants through UC Davis, instead of the $50 million proposed in January 10 Budget Introduction.
- $1.5 million for Graduate Medical Education to backfill for lost Proposition 56 revenue.

**Decreases from the Budget Act of 2019 Levels Applied to the 2020-21 Budget**
- Reduce UC general allocation to campuses by $338 million.
- Reduce UCOP budget by $34.4 million, including a $5 million reduction to UC Path and an increase of $5 million in UC Path assessment to campuses.
- Reduce summer financial aid by $4 million.
Funding Proposed in the January 10 Budget Introduction Not Included in the May Revise

- Eliminates $169.2 million (5%) ongoing increase to campus allocations.
- Eliminates $3.6 million (5%) ongoing increase to UC ANR.
- Eliminates $3 million in one-time funds for the UC San Diego Center for Public Preparedness multi-campus research initiative.
- Eliminates $4 million in one-time funds for online UC Extension degree completion efforts.
- Eliminates $1.3 million in one-time funds for the California Subject Matter Project (CSMP) to train K-12 computer science educators.

You can view the summary of the Governor’s May Revise proposal here:

http://www.ebudget.ca.gov/FullBudgetSummary.pdf

Legislation

On May 4th the Assembly reconvened from the joint legislative recess while the Senate did so on May 11th. Below is a listing of key bills that the University is tracking which have been active since the legislature came back in session.

AB 1930 (Medina) passed out of the Higher Education Committee. The bill would require CSU, and would request of UC, that before making any changes in student eligibility policy that adds eligibility requirements that impact students across its segment, to coordinate with the other segment to align their respective student eligibility policies. The bill would also require that an independent study be commissioned by a third-party research organization to assess the impact of the change in student eligibility policy on the eligibility rates of the graduates of public secondary schools who are members of underrepresented student groups.

AB 2028 (Aguiar-Curry) passed out of the Assembly Governmental Organization Committee. The bill would require, except for closed sessions, that the notice for state agency meetings include all writings or materials provided for the noticed meeting to a member of the state body by staff of a state agency, board, or commission, or another member of the state body, that are in connection with a matter subject to discussion or consideration at the meeting. The bill would also require that these writings and materials be made available on the internet at least 10 days in advance of the meeting. The University’s position on the bill is pending.

AB 2114 (Rodriguez) passed out of the Assembly Public Employment and Retirement Committee. The bill would require a higher education employer to provide a procedure for all non-probationary employees who are not members of the academic senate to challenge a termination of employment or a disciplinary action by the employer, as provided. The University’s position on the bill is pending.

AB 2282 (McCarty) passed out of the Assembly Human Services Committee. The bill would require UC, CSU, and CCC, in consultation with the Department of Social Services and county human services
agencies, to establish a CalFresh student outreach text messaging program. The University’s position on the bill is pending.

**AB 2416 (Gabriel)** passed out of the Higher Education Committee. The bill would require that determinations of "satisfactory academic progress" by the institutions participating in specified student aid programs consider "homelessness" within the meaning of the federal McKinney-Vento Homeless Assistance Act as an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute "satisfactory academic progress" at the institutions, and that extenuating circumstance may be considered by the institutions to alter or excuse compliance with those progress requirements.

**AB 2484 (Low)** passed out of the Higher Education Committee. The bill would establish the California Educational Facilities Authority Act and the California Educational Facilities Authority. The University has a support position on the bill.

**AB 2494 (Choi)** passed out of the Higher Education Committee. The bill would request the UC Office of the President, in collaboration with the UC Academic Senate, and require the CSU Office of the Chancellor, in collaboration with the CSU Academic Senate, to develop a consistent policy to award military personnel and veterans who have an official Joint Services Transcript course credit, similar to the policy developed by the California Community Colleges. The University’s position on the bill is pending.

**AB 2936 (Wicks)** passed out of the Assembly Judiciary Committee. The bill would require the Attorney General to establish a classification for sponsoring organizations that maintain one or more donor-advised funds. The University’s position on the bill is pending.

**AB 2972 (Limon)** passed out of the Higher Education Committee. The bill would request UC and require CSU and CCC to create a system wide annual training program, for administrators of those respective segments, related to undocumented students, DACA, federal and state laws related to immigration generally, and state law relating to exemption from nonresident tuition. The University’s position on the bill is pending.

**AB 3092 (Wicks)** passed out of the Assembly Judiciary Committee. The bill would revive claims for damages arising from a sexual assault or other inappropriate contact, communication, or activity of a sexual nature by a physician while employed by a UCLA medical clinic or who held active privileges at a UCLA hospital, at the time the incident occurred, as specified, that would otherwise be barred due to expiration of the statute of limitations, and would authorize a pending cause of action to proceed, as specified. The University’s position on the bill is pending.

**AB 3096 (Chiu)** passed out of the Assembly Public Employment and Retirement Committee. The bill would create a specific financial penalty that only applies to the UC under a general statute that applies to all public employers (Government Code Section 3550).
AB 3256 (Garcia) passed out of the Assembly Natural Resources Committee. The bill would enact the Wildfire Prevention, Safe Drinking Water, Climate Resilience, Drought Preparation, and Flood Protection Bond Act of 2020 to authorize $6.98 billion in bonds, if approved by the voters at the November 3, 2020 election, to finance projects for a wildfire prevention, safe drinking water, climate resilience, drought preparation, and flood protection program.

ACA 5 (Weber) passed out of the Assembly Public Employment and Retirement Committee. The measure repeals provisions enacted pursuant to Proposition 209 in 1996 and makes a statement of legislative findings in this regard. The University’s position on the measure is pending.

SB 793 (Hill) passed out of the Senate Health Committee. The bill would prohibit a tobacco retailer from selling, offering for sale, or possessing with the intent to sell a flavored tobacco product. The University’s position on the bill is pending.

SB 794 (Jackson) passed out of the Senate Governmental Organization Committee. The bill would authorize a postsecondary institution that receives state funds, including funds for student financial assistance, to use enrollment, registration, and personnel records to access the contact information of students and employees for enrollment in a university or college operated public emergency warning system. The University has a support position on the bill.

SB 800 (Dodd) passed out of the Senate Governmental Organization Committee. The bill would require veterinarians to make medical records of racehorses available upon request to anyone responsible for their direct care, and would require the Horse Racing Board to publish on its website fatalities within licensed enclosures and, upon confirmation of a finding of a prohibited substance, non-confidential results of racehorse blood or urine test samples. The University’s position on the bill is pending.

SB 852 (Pan) passed out of the Higher Education Committee. The bill would enact the California Affordable Drug Manufacturing Act of 2020, which establishes the Office of Drug Contracting and Manufacturing to produce and increase patient access to affordable drugs. The University’s position on the bill is pending.

SB 864 (Wilk) passed out of the Senate Agriculture Committee. The bill would require specified reporting of state hemp production information and laboratory test results, and require specified testing activities, including estimates on measurements of uncertainty.

SB 918 (Governmental Organization Cmte) passed out of the Senate Governmental Organization Committee. The bill would correct discrepancies in the administrative requirements for the sale of excess wine from the UC Davis Viticulture and Enology program by authorizing a special nonprofit sales license to a nonprofit mutual benefit corporation or a nonprofit public benefit corporation. The University’s position on the bill is pending.
SB 977 (Monning) passed out of the Higher Education Committee. The bill would require a health care system to provide written notice to, and obtain the written consent of, the Attorney General prior to an affiliation or acquisition between it and a health care facility or provider, and establishes a related Health Policy Advisory Board. The University’s position on the bill is pending.

SB 1110 (Hurtado) passed out of the Senate Health Committee. The bill would create the California Medicine Scholars Program (CMSP) to train future primary care physicians. The University has a support position on the bill.

**Executive Orders**

During the first couple of weeks in May Governor Newsom issued the following executive orders;

- An order that temporarily broadens the capability of counties to enroll persons into the California Work Opportunity and Responsibility to Kids (CalWORKs) program using various eligibility verification methods due to social distancing requirements.
- An order that creates a time-limited rebuttable presumption for accessing workers’ compensation benefits applicable to Californians who must work outside of their homes during the stay at home order.
- An order waiving penalties on property taxes for residents and small businesses experiencing economic hardship based on COVID-19 and extending deadline for filing property tax statements.
- An order to ensure that Californians can exercise their right to vote in a safe and accessible manner during the General Election this November.
- An order extending some critical deadlines that have been impacted by the COVID-19 pandemic.

For a complete listing of all the actions that the Governor’s Office has taken to combat the coronavirus please visit the following webpage;


**Upcoming State Government Relations Deadlines, Events and Key Dates**

**May 22** – Last day for policy committees to hear and report to the Appropriations Committee fiscal bills introduced in the Assembly.

**May 25** Memorial Day

**May 29** Last day for policy committees to hear and report to the Floor non-fiscal bills introduced in the Assembly.

**May 29** Last day for policy committees to hear and report to the Appropriations Committee fiscal bills introduced in the Senate.

**June 5** Last day for Appropriations to hear and report to the Floor bills introduced in the Assembly.

**June 5** Last day for policy committees to hear and report to the Floor non-fiscal bills introduced in the Senate.

**June 15** Budget Bill must be passed by midnight.

**June 15 - 19** Assembly Floor session only.
**June 19** Last day for the Assembly to pass bills introduced in that house. Summer Recess begins for the Assembly upon adjournment, provided the Budget Bill has been passed.  
**June 19** Last day for Appropriations to hear and report to the Floor bills introduced in the Senate.  
**June 22-26** Senate Floor session only.  
**June 25** Last day for a legislative measure to qualify for the Nov. 3 General Election ballot.  
**June 26** Last day for the Senate to pass bills introduced in that house.  
**July 2** Summer Recess for the Senate begins upon adjournment provided the Budget Bill has been passed.  

**Questions or Need Assistance?**

If you have any questions regarding the aforementioned items or would like assistance in connecting with state legislators and/or their staff, please do not hesitate to contact Adrian Lopez, Director, State Government Relations. He can be reached at adnlopez@ucdavis.edu or by phone at (530) 752-9795.