



UC Davis State Government Relations Update December 2021

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University of California Budget Request

The UC Board of Regents set bold goals for the University of California at their last meeting that include significant enrollment expansion and closing graduation equity gaps. To fulfill these plans, UC requests \$422.1 million in new ongoing funding and \$609 million in one-time funds from the State as part of the University's 2022-23 budget plan. These funds would allow the UC system to undertake many shared objectives with the state, including expanding California resident enrollment, reducing the percentage of nonresident undergraduate students, begin closing graduation gaps, develop a unique cancer research consortium, provide vital counseling and tutoring to vulnerable student populations and make significant strides in facilities maintenance.

Ongoing Funding Request: \$422.1 million

One-Time Funding Request: \$609 million

SUSTAINING CAMPUS OPERATIONS: \$251.5 MILLION

The University of California has annual costs that must be covered in order to sustain campus operations. The 2022-23 basic core campus operational cost increases are an estimated \$334.5 million, of which the University of California requests the State cover \$251.5 million. The remainder will come from UC's cost-saving efforts as well as new tuition and fee revenue. These costs include:

- **Faculty salary adjustment for retention, recruitment and equity: \$121.8 million.** University of California requests a 4 percent adjustment to faculty salary scales and 1.5 percent for equity pay adjustments. In addition, this request includes \$35 million for the faculty merit program, which applies to faculty promotions.

- **Staff salary adjustment for retention, recruitment and equity: \$97.2 million.** UC proposes a merit-based salary adjustment for policy covered staff that would be 4.5 percent of payroll, or \$66.7 million. The proposal is intended to keep salaries competitive with inflationary increases and alleviate challenges related to staff recruitment, retention, and equity in an extremely competitive labor market. In addition, UC is requesting \$30.5 million for represented staff contractually committed salary increases.
- **Benefit cost increases: \$60.1 million.** UC's health insurance costs are projected to increase by \$23 million for current employees and by \$6.3 million for retirees. In addition, retirement contributions are projected to increase by \$30.8 million, which will be partly offset by projected savings of \$27.9 million resulting from a temporary reduction in the employer retirement contribution rate, for a net increase of \$2.9 million.
- **Non-Salary Price Increases: \$40.4 million.** Inflation is driving up the prices campuses pay for supplies, utilities and other non-salary items.
- **Capital Outlay Debt Service: \$15 million.** Every year, the State approves UC's capital outlay projects undertaken through the AB 94 debt process. This request would cover the debt service for recently completed projects.

STUDENT ACCESS AND SUCCESS: \$129.1 MILLION

Enrollment Access: \$97.8 million. This funding will support growth of 6,360 California undergraduates above the level funded in the 2019-20 Budget Act, expand graduate enrollment by 500, and make progress towards bringing nonresident enrollment down at UC Berkeley, UCLA and UC San Diego by 2026-27.

Framework 2030 Equity Plan: \$31.3 million. The UC Regents have proposed an ambitious goal of eliminating graduation gaps by 2030. To achieve this, UC needs to expand and enhance academic advising, instructional support and data analytics to provide students with the resources they need to succeed. Increasing graduation rates is an important step to debt-free college and expands the size of the incoming undergraduate cohort that can be admitted.

HIGH-PRIORITY INVESTMENTS: \$41.5 MILLION

Student support programs for disadvantaged populations: \$15 million. UC is requesting \$15 million to support undocumented students, foster youth and carceral system impacted youth. The funds for helping disadvantaged student populations are for campus programs such as advising and tutoring for those who have overcome tremendous obstacles in pursuing their educational goals but still face unique challenges.

SAPEP funding from one-time to ongoing: \$22.5 million. UC is requesting the \$22.5 million in one-time funds from the Budget Act of 2021 for Student Academic Preparation and Educational Partnerships (SAPEP) be made ongoing. One-time funds make it difficult to hire the staff required to run these valuable programs, which have become even more important as COVID affected high school student learning.

UC Cancer Consortium: \$4 million. UC is requesting \$4 million to sustain and grow the UC Cancer Consortium patient services by coordinating existing systemwide programs in precision medicine, creating a UC-wide cancer database, providing virtual second opinion service, improving cancer clinical trial infrastructure, supporting systemwide cancer consortia and collaborations and providing dedicated leadership to the program.

ADDITIONAL REQUEST FOR ONE-TIME HEALTH SUPPORT: \$9 MILLION

Psychiatric Mental Health Nurse Practitioners: \$9 million. UC is requesting \$9 million in one-time funds for the Schools of Nursing at UC Davis, UCLA and UCSF to train an additional 300 psychiatric mental health nurse practitioners over five year through a three campus collaboration. The funds will support enrollment and student financial aid.

ADDITIONAL REQUEST FOR ONE-TIME CAPITAL OUTLAY: \$600 MILLION

UC campuses have significant facilities needs, including deferred maintenance and seismic life safety. This investment of \$600 million would ensure campus buildings continue to functionally serve the mission of education, research and public service. These funds will allow for deferred maintenance, seismic retrofits, classroom expansions and energy efficiency. In addition, these funds will provide much needed local employment opportunities.

Key Values, Blueprints, Reports and Summaries of Legislative Committees

On December 8th Senate President pro Tempore Toni G. Atkins (D-San Diego) and Senator Nancy Skinner (D-Berkeley), chair of the Senate Budget and Fiscal Review Committee, released a broad overview of the key values Senate Democrats will be using to craft the Senate Budget Plan for the upcoming year. The key values can be found [here](#).

Similarly, on December 9th Assembly Budget Chair Phil Ting (D-San Francisco) released his house's "2022-23 California Budget Blueprint" stating that "[w]e made bold investments in last year's budget, and many of those initiatives have yet to be completed. We must see those commitments through and make certain they are working to lift up Californians still struggling from the impacts of COVID-19. We're a stronger state when we all are doing well." The blueprint is available [here](#).

Additionally in the Assembly the Higher Education Committee released its "[2021-22 Mid-Session Legislative Report](#)" while the Health Committee published its "[2021 Legislative Summary](#)."

Become a UC Advocate

The new year is around the corner, and with it comes a fresh opportunity to push for the priorities that can help our UC community thrive. That includes more federal financial aid for college students, state investments to help California rebound from the COVID-19 pandemic, and urgent action on climate change, to name a few.

Advances in these areas will not come easily, which is why the UC Advocacy Network (UCAN) is reaching out to folks to get them to sign up to advocate for the UC community in 2022.

When we're united, we bring real change on issues that matter. For example this past year UC advocates helped secure the highest level of state funding ever and played a key role in getting Congress to introduce a bill to double the Pell Grant maximum award.

But we can't do this important work without you. Our advocacy is only as strong as those who offer their voices to shape the state and federal policies that affect us all. Whether its research, health care or education, we hope you'll join us in speaking out for equity, access and excellence and be part of shaping a better future for everyone.

Furthermore, with our proximity to the state capitol, UC Davis faculty, staff and students are well positioned to be influential supporters of the University of California and its mission. Advocates who [sign up](#) for UCAN will receive email updates and alerts about how they can speak out and support the University and UC Davis. [Read more about UCAN](#) and how you can become involved.

Upcoming State Government Relations Deadlines, Events and Key Dates

Jan. 1 Statutes take effect.

Jan. 3 Legislature Reconvenes.

Jan. 10 Budget must be submitted by Governor.

Jan. 14 Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year.

Jan. 17 Martin Luther King, Jr. Day.

Jan. 21 Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year. Last day to submit **bill requests** to the Office of Legislative Counsel.

Jan. 31 Last day for each house to pass bills introduced in that house in the odd-numbered year.

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, Senior Director of Government Relations. He can be reached at adnlopez@ucdavis.edu or by phone at (530) 752-9795.