

From: Chief Executive Officers <CEO-ALL@LISTSERV.CCCCO.EDU> **On Behalf Of** O'Brien, David

Sent: Friday, January 10, 2025 6:06 PM

To: CEO-ALL@LISTSERV.CCCCO.EDU

Subject: [EXTERNAL]CCC 2025-26 Joint Analysis of the Governor's Budget Proposal



California Community Colleges

Dear Colleagues,

This morning, Governor Newsom's Administration released his proposed budget for 2025-26 fiscal year. The Governor's Proposed Budget for 2025-26 fiscal year is fully balanced with no deficit and projects \$16.5 billion in additional revenue above the 2024 Budget Act thanks to a stronger economy, stock market, and cash receipts.

For California Community Colleges, the budget proposal is shaped by the Master Plan for Career Education, which aims to strengthen career pathways, prioritize hands-on learning and real-life skills, and advance educational access and affordability. The proposal provides a 2.43% cost-of-living-adjustment and includes career-oriented investments to unlock the workforce and economic potential of California's adult students and working learners.

Following are some key changes in the proposal compared to the enacted budget for 2024-25:

- Under the proposal, the overall state budget would be higher than in 2024-25, increasing by about 8% to \$322.2 billion, reflecting higher state receipts and cost-cutting actions taken in the current-year budget. General Fund spending would increase by over \$17 billion (8.2%) to \$228.9 billion.
- The budget proposal for the California Community Colleges reflects a significant focus on the Master Plan for Career Education and includes a vision of a Career Passport that would follow a student's educational journey.
- The proposal for additional ongoing spending includes \$230.4 million for a 2.43% cost-of-living adjustment (COLA) for community college apportionments, \$28.7 million for COLAs and adjustments to certain categorical programs, and \$30.4 million for systemwide enrollment growth of 0.5%.
- One-time and ongoing funding in the proposal is dedicated to the establishment of a Systemwide Common Data Platform and scaling up Credit for Prior Learning policies.
- The Governor's proposal includes capital outlay funds from Proposition 51 and Proposition 2 to support 31 projects.

To assist your review of the recently released budget proposal, attached please find the **2025-26 Joint Analysis of the Governor's January Budget**. This detailed and comprehensive tool serves as a common factual resources to aid in further analysis or advocacy.

The California Community Colleges Chancellor's Office once again partnered with the Association of California Community College Administrators (ACCCA), the Association of Chief Business Officials (ACBO), and the Community College League of California to release this analysis.

We hope you find the information in the *Joint Analysis* valuable. For further budget updates and resources, visit the [Budget News page](#). Thank you for your partnership!

David O'Brien ([he/him](#) & [why it matters](#))

Vice Chancellor

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