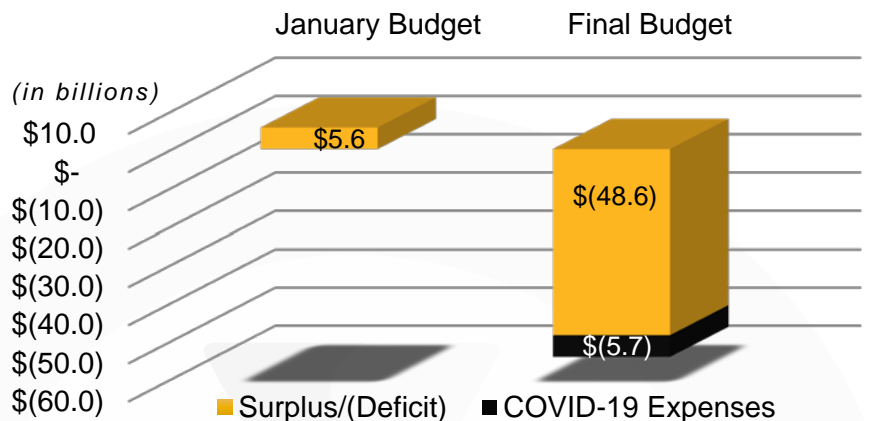


## EXCERPT FROM FINAL BUDGET DOCUMENT

### State Budget

On June 30, Governor Newsom signed the FY 2020-21 State Budget Act. This Budget Act includes some of the components of the Governor’s May Revision along with a very different plan from the one initially proposed in January. In January, the administration projected a \$5.6 billion surplus due to three very strong quarters of economic growth. However, the State’s economy entered a profound and unanticipated recession in the fourth quarter. This recession, combined with \$5.7 billion in new spending related to COVID-19, shifted the projected surplus of \$5.6 billion to a \$54.3 billion deficit.

The Budget Act prevents immediate cuts to California Community Colleges (CCC) funding; however, it includes \$1.5 billion in deferrals in 2020-21. We remain cautiously positive that up to \$791 million of these deferrals will be rescinded if the U.S. Congress approves a stimulus package with sufficient funding by the October 15, 2020 deadline.



Further information regarding the California State Budget can be found at the following sources.

- › Governor’s Budget Proposal: <http://www.ebudget.ca.gov/>
- › CCCCO/ACBO/ACCCA/CCLC Joint Analysis – 2020-21 Enacted Budget: <https://www.cccco.edu/-/media/CCCO-Website/College-Finance-and-Facilities/Budget-News/Joint-Analysis-Enacted-Budget-Final-070220.pdf>
- › CCCCO Apportionment Reports: <https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/Apportionment-Reports>

This is the start of a particularly challenging period for all which is forecasted to stretch into next year and beyond, requiring many open, transparent, and difficult decisions. SBCCD’s Board of Trustees and staff will work diligently to navigate this uncharted course.