



League Budget Update #23: November 11, 2008

LAO: Increase fees to \$30 per unit; cut "enrichment" classes

The Legislative Analyst's Office (LAO), which is the nonpartisan advisor to the Legislature, today issued a report analyzing the governor's proposed midyear cuts and making suggestions of its own.

In the report, the LAO generally endorses the governor's revenue proposals, but also calls for a partial restoration of the higher vehicle license fee ("car tax"). Additionally, the LAO recommends taking action now on deeper cuts for the 2009-10 fiscal year.

For community colleges, the LAO recommends:

- Eliminating the 0.68% COLA adopted in the budget act
- No 5% cut to the general apportionment
- Increasing fees to \$26 per unit on January 1, 2009 and to \$30 on July 1, 2009
- Reducing funding to the regular noncredit rate for:
- "certain credit-bearing physical education classes (such as pilates, racquetball and golf)" effective January 1, 2008
- "additional enrichment courses (such as ballroom dancing, drawing and photography)" effective July 1, 2009

Upon full implementation, the reduction in reimbursement rates would cut community college funding by \$200 million in 2009-10. Colleges would not be able to keep the \$120 million in increased fees.

Read the [entire report](#).