

## **Budget Act of 2018 – University of California**

SB 840, Budget Act of 2018, was signed by the Governor on June 27, 2018.

**Overall Budget:** \$201.4 billion in expenditures, composed of \$138.7 billion in General fund, \$58.5 billion in Special funds, and \$4.2 billion in Bond funds. Fully funds the rainy day reserve.

In total, the University of California received new permanent funding of \$98.1 million over 2017-18 levels and \$248.8 million in temporary one-time funding. The breakdown of these funds is listed below.

### **Permanent Funding: Total \$98.1 million**

- 2.7% base budget increase of \$92.1 million (3% increase on non-UCOP/UCPath funds)
- \$5 million to support 500 new California undergraduates in 2018-19
- \$1 million to support the Institute on Global Conflict and Cooperation

### **Temporary One-Time Funding: Total \$248.8 million – see breakdown below**

#### ***Instructional Funds: \$107 million one-time***

- UC will receive \$105 million in one-time funds instead of the \$105 million in permanent funds that UC requested for 2018-19. The Conference Committee did not specify which components of UC's ask were reflected in these funds, but our request had been:
  - \$70 million in lieu of a Tuition and Student Services Fee increase in 2018-19
  - \$25 million to support currently enrolled students
  - \$10 million for new 2018-19 enrollment growth
- \$2 million in one-time funding for equal opportunity employment on campuses to increase faculty diversity

#### ***Campus Life and Student Wellbeing: \$6.7 million one-time***

- \$1.2 million one-time for anti-bias training at UC and CSU, with UC operating the CSU contract
- \$1.5 million one-time to support campus efforts to address student hunger and basic needs
- \$4 million one-time for legal services for undocumented and immigrant students, faculty, & staff
- Trailer bill language requiring campuses to report on uses of hunger-free campus funding and outcomes related to efforts to address student hunger and basic needs
- Trailer bill language creating a statewide working group that includes state social services providers and the three public higher education segments to improve coordination around student benefits
- Trailer bill language amending current legislative reports about student financial aid

#### ***Deferred Maintenance: \$35 million one-time***

- \$35 million one-time

#### ***Health: \$55 million one-time***

- \$40 million one-time for Graduate Medical Education
- \$15 million one-time for telepsychiatric services at a medical school that is not part of a medical center

**Research Funds: \$15.5 million one-time**

- \$12 million for Jordan's Syndrome research
- \$3 million for Valley Fever research
- \$500K for UC Davis CalSurv mosquito surveillance system
- Continuous appropriation of Proposition 56 funds

**Other: \$29.6 million one-time**

- \$25 million for UC Berkeley to address the campus's operating deficit
- \$2.8 million for UC Davis Aggie Square planning costs
- \$1.8 million for UCLA Ralph J Bunche Center for African American Studies

**Other Actions and Outcomes**

- \$8.55 million redirected from UCOP and systemwide programs to the campuses to support 2018-19 enrollment growth, per the University's proposal
- \$10 million restored to UC's General Fund appropriation, offset by a \$10 million decrease in Proposition 56 funds for Graduate Medical Education
- Maintained separate line-item appropriations for UCOP and UCPath
- Created a separate budget line item for Agriculture and Natural Resources as part of the UC Office of the President Budget
- Included budget bill language allowing a partial assessment for UC Path for up to \$15.3 million above 2017-18 levels
- Supplemental Reporting Language expected to require UC to develop a plan to reduce nonresident enrollment to 10% of every freshman class beginning 2029-30
- Trailer bill language requiring annual reporting on UCOP initiatives (AB 1809)
- Rejected onerous new reporting requirements regarding service contract employees
- Rejected funding proposals for miscellaneous research programs (opioid use, sugar, gun violence) that had been previously approved in budget subcommittees

**Funding for Other State Agencies Relevant to UC**

- \$18 million from Greenhouse Gas Reduction Fund for grants through the Strategic Growth Council. UC is named as an eligible applicant. (See trailer bill SB 856)
- \$30 million for precision medicine through the Governor's Office of Planning and Research
- \$15 million in grants through the Office of Emergency Services. UC is an eligible applicant.
- \$4 million in matching grants for the UC Natural Reserve System through the Wildlife Conservation Board
- \$1 million for either UC Davis Medical School or UC Irvine Medical School scholarships for primary care or emergency physicians through the Office of Statewide Health Planning and Development
- \$150,000 to the UC Berkeley Underground Scholars program through the Board of State and Local Corrections

**University of California Funding from Special Funds**

- \$10.628 million for breast cancer research from Breast Cancer Fund
- \$1 million for the Pacific Earthquake Engineering Research Center from the State Transportation Fund
- \$980K for the Institutes of Transportation Studies from the State Transportation Fund
- \$7.407 million for research from the Cigarette and Tobacco Products Surtax Fund

- \$2.5 million for the Oiled Wildlife Care Network from the Oil Spill Prevention and Administration Fund
- \$3.5 million for GEAR UP from the Federal Trust Fund
- \$178K from the California Breast Cancer Research Fund
- \$2.5 million from the Umbilical Cord Blood Collection Program Fund
- \$2 million from the Health Care Benefits Fund
- \$5 million from the Road Maintenance and Rehabilitation Account
- \$425K from the California Cancer Research Fund
- \$250K for support from the Type 1 Diabetes Research Fund

### **Relevant Trailer Bills**

- AB 1809 – Higher Education Trailer Bill
  - Requires campuses to report on uses of hunger-free campus funding and outcomes related to efforts to address student hunger and basic needs
  - Creates a statewide working group that includes state social services providers and the three public higher education segments to improve coordination around student benefits
  - Amends current legislative reports about student financial aid
  - Requires annual reporting on UCOP initiatives
- SB 856 – Supplemental Appropriations Trailer Bill
  - Appropriates Greenhouse Gas Reduction Funds
- SB 866 – Employment Trailer Bill
  - Creates changes to how UC can communicate with employees in an employee organization
  - Creates changes to verification of employee agreement to pay union dues
- SB 849 – Medi-Cal Trailer Bill
  - Establishes the Medi-Cal Physicians and Dentists Loan Repayment Act Program, which will be developed by the State Department of Health Care Services to provide loan assistance payments to qualifying, recent graduate physicians and dentists that serve beneficiaries of Medi-Cal and other specified health care programs using moneys from the Healthcare Treatment Fund.
- AB 1810 – Health Trailer Bill
  - Increases the annual maximum loan to Medi-Cal from \$1B to \$2B
  - Creates the Council on Health Care Delivery Systems as an independent body tasked with developing a plan for a single-payer health care system in California
  - Allows the Department of Public Health to assess a supplemental license fee on health facilities located in Los Angeles County
  - Expands the existing Black Infant Health Program
  - Makes changes to the licensing of community treatment facilities
  - States the intent to establish the Health Care Cost Transparency Database, and requires certain health care entities, including health care service plans, to provide specified information to the office for collection in the database.
  - Changes the participant requirements for the Diabetes Prevention Program