Legislation Report Esmeralda Montenegro Owen- Director of Communications February 3, 2015

This Legislation Report will provide the Governing Board with an update of California (and Federal) Legislative bills affecting Community College Districts.

STATE

AB 13 (Chávez) – Community Colleges: exemptions from nonresident tuition.

Current law generally requires community college districts to charge a tuition fee to nonresident students, but exempts specified community college students from paying that nonresident tuition fee. This bill would additionally exempt nonresident students enrolled at a community college who are using, or are intending to use, Federal GI Bill education benefits to cover the costs associated with enrollment as a community college student.

Status: Introduced

Current law provides for various economic development programs throughout the state that foster community sustainability and community and economic development. Current law also authorizes local agencies to finance the purchase, construction, expansion, improvement, or rehabilitation of certain types of facilities. This spot bill would state legislative intent to authorize local governmental entities to use tax increment financing for the development of economic planning, infrastructure, and educational facilities.

Status: Introduced

FEDERAL

President Obama proposes Tuition-Free Community Colleges for Responsible Students.

Obama unveiled the America's College Promise proposal to make two years of community college free for students, letting them earn the first half of a bachelor's degree and earn skills needed in the workforce at no cost. This would save a full-time community college student an average of \$3,800 in tuition per year. The initiative would mean:

- Enhancing student responsibility and cutting the cost of college for all Americans
- Building high-quality community colleges
- Ensuring shared responsibility with states

President Obama proposes a simpler, fairer tax code that responsibly invests in middle class families.

The president will outline his plan to simplify our complex tax code for individuals, make it fairer by eliminating some of the biggest loopholes, and use the savings to responsibly pay for the investments we need to help middle class families get ahead and grow the economy. Obama will put forward reforms that include eliminating the biggest loophole that lets wealthiest avoid paying their fair share of taxes:

- Close the trust fund loophole
- Raise the top capital gains and dividend rate back to the rate under President Reagan
- Reform financial sector taxation to make it more costly for the biggest financial firs to finance their activities with excessive borrowing
- Provide a new, simple tax credit to two-earner families
- Streamline child care tax incentives to give middle-class families with young children a tax cut of up to \$3,000 per child
- Simplify, consolidate, and expand education tax benefits to improve college affordability

Make it easy and automatic for workers to save for retirement

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