University cuts felt all over town

Our view: Chico and Butte County will suffer another eight-figure hit because of cuts at Chico State University.

As the state tries in vain to plug a multi-billion-dollar budget hole, most citizens can agree that spending needs to be cut. It’s harder to get people to be realistic about the trade-offs.

Quit spending so much on prisons? That sounds good . . . until your car gets jacked or your identity stolen by a supposed “nonviolent offender” who got out early.

Cut money to schools? That sounds plausible, until your preferred program – athletics, music, the arts, class-size reduction – gets axed.

Reduce the cost of firefighting? It’s a huge expense, but when you need it, you’re thankful for it.

And what about higher education? What happens when those cuts cripple the economy of what is truly a college town?

Chico State learned this week that it will receive $21 million less than it got from the state last year. The 23-campus California State University system received nearly $2.8 billion in state funding during the current fiscal year. It will get a half-billion dollars less next year. That’s a cut of about 18 percent.

CSU Chancellor Charles Reed said each campus and the CSU office would suffer funding cuts, and said 10,000 fewer students would be enrolled systemwide next year. That comes on top of an enrollment cut of 40,000 a little more than a year ago.

A cut of 50,000 students is equivalent to three Chico State campuses – a lot of young adults who either aren’t getting a four-year degree or are doing it at more expensive private schools or out of state.

When Chico State learned it had to cut 1,500 students a little more than a year ago, a Chico State economist figured it meant a $46 million decline in spending power in Chico and Butte County. An additional 375 fewer students would be $11.5 million or so more in lost spending. People in Chico who own apartments, liquor stores, gas stations, entertainment venues and small businesses all feel the pinch.

The same economist, David Gallo, figured out last year that furloughs to university employees resulted in lower wages that cost the area $10.2 million in decreased spending power.
Therefore, there are multiple victims when the higher-education budget is cut. Landlords suffer. Business owners suffer. University employees suffer. And then the city government and county government suffer with fewer taxes coming in, so they have to cut services, continuing the cycle.

If there’s anything good that can be said about the situation, it’s that the chancellor’s office will allow individual campuses to make their own budget-cutting decisions. We trust the locals to make better decisions that the folks in Long Beach. Chico State President Paul Zingg said he has been meeting with a committee of faculty, staff, students and administrators to figure out where the cuts should be made.

They’re at the point where it’s not easy. Students have seen astronomical fee increases. Class sizes are getting larger. Lesser-utilized classes and programs are being eliminated. It’s a difficult time.

But everybody in the area needs to be aware this is not just a university problem. When the university suffers, so does the college town.