AMENDED IN SENATE JULY 2, 2014
AMENDED IN SENATE JUNE 18, 2014
AMENDED IN SENATE JUNE 5, 2014
AMENDED IN SENATE JUNE 25, 2013
AMENDED IN ASSEMBLY MAY 20, 2013
AMENDED IN ASSEMBLY APRIL 22, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 938

Introduced by Assembly Member Weber

February 22, 2013

An act to amend Section 89700 of, and to add Section 66025.6 to, 89712 of the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 938, as amended, Weber. Public postsecondary education: fees. Existing law prohibits a campus of the California State University, or the Chancellor of the California State University, or both, from approving a student success fee, as defined, before January 1, 2016.

This bill would require a campus of the California State University that has implemented a student success fee to use its institutional aid to pay the cost of the student success fee for low-income students, as defined.

Existing law establishes the California Community Colleges, the California State University, and the University of California as the 3 segments of public postsecondary education in this state. Existing law establishes community college districts throughout the state, and

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authorizes them to provide instruction at community college campuses. Under existing law, the California State University comprises 25 campuses and the University of California comprises 10 campuses. Under existing law, the segments are authorized to impose fees on their students, both on a systemwide basis and with respect to individual campuses.

This bill would prohibit the California State University from imposing a new student success fee, as defined, or increasing the amount of an existing student success fee, unless the imposition of the new fee or the increase of the existing fee is approved by a majority vote of the students of that campus who vote in an election held for that purpose. The bill would require that, in the event that a new student success fee or an increase in the amount of an existing student success fee is approved by the students of a campus in an election held under the bill, an oversight committee, with designated membership, be established.

The bill would urge the Regents of the University of California to adopt regulations and procedures relating to the imposition of new eampus fees or increases in the amount of existing eampus fees that would be equivalent to the requirements of this bill.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 89712 of the Education Code is amended 2 to read:
- 3 89712. (a) (1) A campus of the California State University,
- 4 or the Chancellor of the California State University, or both, shall
- 5 not approve a student success fee, as defined in subdivision (d),6 before January 1, 2016.
 - (2) A campus of the California State University that has implemented a student success fee shall use its institutional aid to pay the cost of the student success fee for low-income students.
- (b) During the 2014–15 fiscal year, the chancellor shall conduct a review of the California State University Student Fee Policy relating to student success fees and recommend to the trustees
- 13 changes to the fee policy. In conducting the review and preparing
- 14 recommended changes to the fee policy, the chancellor shall
- 15 consider all of the following:

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(1) The approval process for student success fees, including, but not limited to, the benefit of <u>utilizing</u> using a student election or the consultative process in the approval process.

- (2) The need for statewide policies governing a student election, the consultative process, or both, for approving a proposed student success fee, including, but not necessarily limited to, policies requiring campuses to issue a voter pamphlet, or other informational document, or both, that provides an objective analysis of the proposed fee, a detailed description of the proposed fee uses, statements for and against the proposed fee action, and a notification to students regarding the dates, times, and locations available to either vote, for purposes of a student election, or confer with campus leadership, for purposes of the consultative process, regarding a proposed fee.
- (3) The means to improve transparency and accountability regarding a campus' use of student success fee funds for the benefit of members of the campus' community, including, but not necessarily limited to, students, faculty, staff, and the general public.
- (4) The development of an annual report describing the use of student success fee funds by each campus in the prior academic year, to be posted on each campus' Internet Web site.
- (5) The approval of a statewide policy to prohibit a campus from implementing a student success fee for a period exceeding five years unless a continuance of that fee is approved by an affirmative vote of the majority of the student body voting, or through the consultative process. Approval to continue an approved fee shall be required every five years.
- (6) The impact of student success fees on campuses' academic programs and services available for students, including, but not necessarily limited to, low-income students.
- (7) A provision for financial assistance to offset the cost of the fee for low-income students.
- (c) (1) The chancellor shall report to the Department of Finance and the appropriate fiscal and policy committees of the Legislature, on or before February 1, 2015, regarding the chancellor's proposed revisions to the California State University Student Fee Policy related to student success fees.
- (2) This subdivision is inoperative on January 1, 2019, pursuant to Section 10231.5 of the Government Code.

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- (d) For purposes of this section, the following terms have the following meanings:
- (1) "Low-income student" means an undergraduate student who has an expected family contribution, as defined in subdivision (g) of Section 69432.7, at any time during the student's matriculation at the institution that would qualify the student to receive a federal Pell Grant. The calculation of a student's expected family contribution shall be based on the Free Application for Federal Student Aid (FAFSA) application or an application determined by the California Student Aid Commission to be equivalent to the FAFSA application submitted by that applicant.
- (2) A "student success fee" is a type of category II campus-based mandatory fee that must be paid by a student to enroll or attend a campus of the California State University, as determined by that campus or the Chancellor of the California State University.

SECTION 1. Section 66025.6 is added to the Education Code, to read:

66025.6. Notwithstanding any other law:

- (a) The California State University may only impose a new student success fee, or increase the amount of an existing student success fee, if the imposition of the new fee or the increase of the existing fee is approved by a majority vote of the students of that campus who vote in an election held for that purpose.
- (b) The ballot used in an election held pursuant to subdivision (a) shall include a specific description of the purposes for which the proceeds of the proposed fee would be expended.
- (c) In the event that a new student success fee or an increase in the amount of an existing student success fee is approved by the students of a campus in an election held pursuant to subdivision (a), an oversight committee shall be established under this subdivision. The oversight committee shall be composed of students appointed by the student body organization of that campus, faculty members appointed by the faculty senate of that campus, and administrators appointed by the president of that campus, with the distribution of the membership of that oversight committee among those three groups being determined by the student body organization of that campus.
- (d) As used in this section, "student success fee" has the same meaning as that term is defined in paragraph (2) of subdivision (d) of Section 89712.

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SEC. 2. Section 89700 of the Education Code is amended to read: 89700. (a) Except as required pursuant to Section 66025.6, the trustees may by rule require all persons to pay fees, rents, deposits, and charges for services, facilities or materials provided by the trustees to those persons. The trustees may, by rule, provide for the method of collecting such fees, rents, deposits, and charges, and may, by rule, provide for the refund in whole or part of those fees, rents, deposits, and charges collected in error or collected for facilities, services, or materials not utilized.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 of the Government Code, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 3. The Regents of the University of California are urged to adopt regulations and procedures relating to the imposition of new campus fees or increases in the amount of existing campus fees that would be equivalent to the requirements of Section 66025.6 of the Education Code as enacted by the act that adds this section.