

AMENDED IN SENATE JULY 2, 2014
AMENDED IN SENATE JUNE 18, 2014
AMENDED IN ASSEMBLY MAY 24, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1348

Introduced by Assembly Member John A. Pérez

February 22, 2013

An act to add Chapter 7.5 (commencing with Section 66550) to, and to repeal Chapter 11 (commencing with Section 66900) of, Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1348, as amended, John A. Pérez. Postsecondary education: California Higher Education Authority.

Existing law establishes the system of postsecondary education in this state, consisting of 4 5 segments: the University of California, the California State University, the California Community Colleges, ~~and~~ independent institutions of higher education, *and private postsecondary educational institutions*, as defined. Existing law establishes the California Postsecondary Education Commission (CPEC) to be responsible for coordinating public, independent, and private postsecondary education in this state and to provide independent policy analyses and recommendations to the Legislature and the Governor on postsecondary education issues. The Budget Act of 2011 deleted funding and personnel from CPEC.

This bill would repeal the provisions establishing and providing for the duties of CPEC, and commencing July 1, 2015, would establish the

California Higher Education Authority, under the administration of a ~~13-member~~ *an 11-member* board of directors. The bill would specify the appointing authorities and the length of the terms of the members of the board of directors. *The bill would establish a 9-member student advisory committee to advise the board of directors on all matters related to student fees and policies, student financial aid, student services, student life, and other appropriate educational policy.* The bill would also set forth the responsibilities of the authority relating to public and private postsecondary education in this state, to be carried out by the authority in accordance with a specified schedule. The bill would require the board of directors to convene a technical working group, including specified persons, to advise on data and policy matters before the board of directors.

Among other duties, the authority would be responsible for developing, presenting, and monitoring ~~postsecondary education goals for the state, including, but not necessarily limited to, monitoring and reporting on the progress of the postsecondary segments toward their long-term goals~~ *state goals for postsecondary education, and the development of appropriate metrics that shall be used to monitor and report on the progress of the postsecondary segments toward meeting those state goals, as specified*; measuring, and reporting about, how efficiently and effectively the postsecondary segments are serving the state's needs; making recommendations about how to improve the performance of the postsecondary segments; developing and recommending strategic finance policy to the Governor and the Legislature on topics including, but not necessarily limited to, the allocation of state appropriations among the postsecondary education segments, student fee policy, and student financial aid; developing and presenting basic policy parameters for capacity development or realignment, including, but not necessarily limited to, expansion or realignment of enrollment capacity among or within the postsecondary education segments, to meet the state's higher education goals; reviewing, and making recommendations to the Governor and the Legislature relating to, major capacity decisions, such as changes in mission or the establishment of new campuses or centers, that are to be ~~financed with state appropriations or state-approved student fees from specified funding sources~~; and acting as a clearinghouse for postsecondary education information and as a primary source of information for the Legislature, the Governor, and other agencies, and succeeding to certain data management responsibilities of CPEC by

developing and maintaining a comprehensive database in accordance with prescribed criteria.

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. Chapter 7.5 (commencing with Section 66550)
2 is added to Part 40 of Division 5 of Title 3 of the Education Code,
3 to read:

4
5 CHAPTER 7.5. CALIFORNIA HIGHER EDUCATION AUTHORITY
6

7 66550. (a) The California Higher Education Authority is
8 hereby established. The authority shall be governed by a
9 13-member board of directors, who shall be appointed in
10 accordance with the following:

11 (1) (A) Nine representatives of the general public appointed as
12 follows:

13 (i) Three members appointed by the Governor subject to
14 confirmation by a majority of the membership of the Senate.

15 (ii) Three members appointed by the Speaker of the Assembly.

16 (iii) Three members appointed by the Senate Committee on
17 Rules.

18 (B) The members initially appointed to the board of directors
19 under this paragraph shall serve staggered terms. Each of the
20 appointing entities in subparagraph (A) shall use one of their three
21 appointments to appoint a member for a two-year term
22 commencing on July 1, 2015, and ending on June 30, ~~2017~~, 2017;
23 one of their appointments to appoint a member for a four-year term
24 commencing on July 1, 2015, and ending on June 30, ~~2019~~, 2019;
25 and one of their appointments to appoint a member for a six-year
26 term commencing on July 1, 2015, and ending on June 30, 2021.
27 After the terms specified in this subparagraph have ended, all
28 subsequent appointments to the authority under this paragraph
29 shall be for six-year terms.

30 (C) A member appointed to the board of directors under this
31 paragraph may be reappointed for an additional term or terms.

32 (D) No member appointed to the board of directors under this
33 paragraph may be an employee of a postsecondary institution in

1 this state or hold an official position, such as trustee or regent, with
2 a postsecondary institution in this state.

3 (E) In making appointments under this paragraph, the Governor,
4 the Speaker of the Assembly, and the Senate Committee on Rules
5 shall consider the need for members to have skills, knowledge,
6 and experience related to postsecondary education, student financial
7 aid policy, statewide accountability, and workforce development,
8 and the value of the board of directors being broadly reflective of
9 the economic, cultural, and social diversity of the state.

10 (2) (A) ~~Four~~ *Two* representatives of the students of the
11 postsecondary education segments appointed for one-year terms,
12 commencing on July 1, 2015, ~~as follows:~~ *each of whom shall be*
13 *enrolled at a California postsecondary education institution at the*
14 *time of appointment and during the term of service, except that a*
15 *student member who graduates from an institution with no more*
16 *than six months of his or her term remaining shall be permitted*
17 *to serve for the remainder of the term. The Governor shall appoint*
18 *the student members from persons nominated by student*
19 *organizations of each of the postsecondary education segments.*
20 *For each student member vacancy on the board of directors, the*
21 *student organizations may each submit a list of not less than three*
22 *and not more than five nominees. The student organization for*
23 *each segment shall be a composite group of at least five*
24 *representative student government associations, as determined by*
25 *the board of directors.*

26 (i) ~~One student of a campus of the California Community~~
27 ~~Colleges, who shall have at least second year standing at that~~
28 ~~campus, selected by the Governor from lists of names of at least~~
29 ~~two, but not more than five, persons furnished by the governing~~
30 ~~board of any statewide student organization that represents the~~
31 ~~students of the California Community Colleges and the student~~
32 ~~body organizations of the campuses of the California Community~~
33 ~~Colleges.~~

34 (ii) ~~One student of a campus of the California State University,~~
35 ~~who shall have at least junior year standing at that campus, selected~~
36 ~~by the Governor from lists of names of at least two, but not more~~
37 ~~than five, persons furnished by the governing board of any~~
38 ~~statewide student organization that represents the students of the~~
39 ~~California State University and the student body organizations of~~
40 ~~the campuses of the California State University.~~

1 ~~(iii) One student of a campus of the University of California,~~
2 ~~who shall have at least junior year standing at that campus, selected~~
3 ~~by the Governor from lists of names of at least two, but not more~~
4 ~~than five, persons furnished by the governing board of any~~
5 ~~statewide student organization that represents the students of the~~
6 ~~University of California and the student body organizations of the~~
7 ~~campuses of the University of California.~~

8 ~~(iv) One student of a member institution of the Association of~~
9 ~~Independent California Colleges and Universities, selected by the~~
10 ~~Governor from lists of names of at least two, but not more than~~
11 ~~five, persons furnished by the chief executive officer of the~~
12 ~~Association of Independent California Colleges and Universities.~~

13 (B) A *student* member appointed to the board of directors under
14 this paragraph may be reappointed for an additional term, as long
15 as he or she remains a student enrolled at a campus of the
16 postsecondary education segment that he or she represents.

17 (C) *A student member appointed to the board of directors under*
18 *this paragraph shall not be appointed from the same segment as*
19 *the outgoing student member or the other sitting student member.*

20 (b) Each of the ~~13~~ 11 members of the board of directors shall
21 be a voting member. The members of the board of directors shall
22 elect a chairperson from their membership.

23 (c) It is the intent of the Legislature that the appointment process
24 of the first members of the board of directors be completed before
25 July 1, 2015, so that the first meeting of the board of directors may
26 be convened as soon as possible after the terms of the initial
27 members commence on July 1, 2015.

28 (d) Each member of the board of directors shall receive actual
29 and necessary travel expenses and one hundred dollars (\$100) for
30 each day he or she is attending to the official business of the
31 authority.

32 (e) (1) *A nine-member student advisory committee shall be*
33 *established to advise the board of directors on all matters related*
34 *to student fees and policies, student financial aid, student services,*
35 *student life, and other appropriate educational policy. The advisory*
36 *committee shall be appointed in accordance with the following:*

37 (A) *Three students of campuses of the California Community*
38 *Colleges, who shall have at least second year standing at their*
39 *respective campuses, selected by the board of directors from a list*
40 *of names of at least four, but not more than five, persons furnished*

1 *by the governing board of any statewide student organization that*
2 *represents the students of the California Community Colleges and*
3 *the student body organizations of the campuses of the California*
4 *Community Colleges.*

5 *(B) Two students of campuses of the California State University,*
6 *who shall have at least junior year standing at their respective*
7 *campuses, selected by the board of directors from a list of names*
8 *of at least three, but not more than five, persons furnished by the*
9 *governing board of any statewide student organization that*
10 *represents the students of the California State University and the*
11 *student body organizations of the campuses of the California State*
12 *University.*

13 *(C) Two students of campuses of the University of California,*
14 *who shall have at least junior year standing at their respective*
15 *campuses, selected by the board of directors from a list of names*
16 *of at least three, but not more than five, persons furnished by the*
17 *governing board of any statewide student organization that*
18 *represents the students of the University of California and the*
19 *student body organizations of the campuses of the University of*
20 *California.*

21 *(D) Two student members of institutions of the Association of*
22 *Independent California Colleges and Universities, selected by the*
23 *board of directors from a list of names of at least three, but not*
24 *more than five, persons furnished by the chief executive officer of*
25 *the Association of Independent California Colleges and*
26 *Universities.*

27 *(2) The student advisory committee shall receive board of*
28 *directors' meeting agenda items and associated documents in a*
29 *timely manner for its consideration and comments in advance of*
30 *the meeting.*

31 66551. (a) The board of directors shall be authorized to enter
32 into agreements with any public or private agency, officer, person,
33 institution, corporation, association, or foundation for the
34 performance of acts or for the furnishing of services, facilities,
35 materials, goods, supplies, or equipment.

36 (b) The authority shall carry out all of the following
37 responsibilities according to the schedule in subdivision (d):

38 (1) Developing, presenting, and monitoring *the state goals for*
39 ~~postsecondary-education goals for the state, including, but not~~
40 ~~necessarily limited to, monitoring and reporting on the progress~~

1 of the postsecondary segments toward their long-term goals
2 *education as listed in Section 66010.91, and the development of*
3 *appropriate metrics pursuant to Section 66010.93 that shall be*
4 *used to monitor and report on the progress of the postsecondary*
5 *segments, as defined in Section 66010.95, toward meeting the state*
6 *goals.*

7 (2) Measuring, and reporting about, how efficiently and
8 effectively the postsecondary education segments are serving the
9 state's needs.

10 (3) Making recommendations about how to improve the
11 performance of the postsecondary education segments.

12 (4) Developing information in order to assist state and local
13 policymakers and ~~consumers~~ *students and parents* in making
14 cost-effective investments in postsecondary education and training
15 to meet the long-term goal of a strong state economy and vibrant
16 communities.

17 (5) Developing and recommending strategic finance policy to
18 the Governor and the Legislature on topics including, but not
19 necessarily limited to, the allocation of state appropriations among
20 the postsecondary education segments, public postsecondary
21 student fee policy, and student financial aid.

22 (6) Developing and presenting basic policy parameters for
23 capacity development or realignment, including, but not necessarily
24 limited to, expansion or realignment of enrollment capacity among
25 or within the postsecondary education segments, to meet the state's
26 higher education goals.

27 (7) Reviewing, and making recommendations to the Governor
28 and the Legislature relating to, major capacity decisions, such as
29 changes in mission or the establishment of new campuses, centers,
30 or programs that are to be financed with state ~~appropriations or~~
31 *appropriations, state-approved student fees, nonstate funds, or*
32 *state authorized bonds, or any combination of these sources of*
33 *financing.*

34 (8) (A) Acting as a clearinghouse for postsecondary education
35 information and as a primary source of information for the
36 Legislature, the Governor, and other agencies, and developing and
37 maintaining a comprehensive database that does all of the
38 following:

39 (i) Ensures comparability of data from diverse sources.

1 (ii) Supports longitudinal studies of individual students as they
2 progress through the state's postsecondary educational institutions,
3 based upon the authority's existing student database through the
4 use of a unique student identifier.

5 (iii) Is compatible with the California School Information
6 System and the student information systems developed and
7 maintained by the public segments of higher education, as
8 appropriate.

9 (iv) Provides Internet access to data, as appropriate, to the
10 sectors of higher education.

11 (v) Provides each of the postsecondary educational segments
12 access to the data made available to the authority for purposes of
13 the database, in order to support, most efficiently and effectively,
14 statewide, segmental, and individual campus educational research
15 information needs.

16 (B) The authority, in implementing this paragraph, shall comply
17 with the federal Family Educational Rights and Privacy Act of
18 1974 (20 U.S.C. Sec. 1232g) relating to the disclosure of personally
19 identifiable information concerning students.

20 (C) The authority may not make available any personally
21 identifiable information received from a postsecondary educational
22 institution concerning students for any regulatory purpose unless
23 the institution has authorized the authority to provide that
24 information on behalf of the institution.

25 (D) The authority shall provide 30-day notification to the
26 chairpersons of the appropriate legislative policy and budget
27 committees of the Legislature, to the Director of Finance, and to
28 the Governor before making any significant changes to the student
29 information contained in the database.

30 (E) The authority shall use the data received from the state's
31 postsecondary educational institutions to determine the percentage
32 of California high school graduates estimated to be eligible for
33 admission to the University of California and the California State
34 University. The authority shall first report this estimate no later
35 than ~~January 1, 2016~~ *January 1, 2017*.

36 (c) The authority shall pursue an integrated approach to the
37 state's postsecondary education policy by collaborating with public
38 and private postsecondary educational institutions in California to
39 address the state's postsecondary education needs and goals.

1 (d) (1) It is the intent of the Legislature that the authority carry
2 out the responsibilities in subdivision (b) in accordance with the
3 schedule in paragraph (2):

4 (2) (A) Commencing July 1, 2015, the authority shall carry out
5 the responsibilities in paragraph (8) of subdivision (b).

6 (B) Commencing July 1, 2016, the authority shall carry out the
7 responsibilities in paragraphs (1), (6), and (7) of subdivision (b).

8 (C) Commencing July 1, 2017, the authority shall carry out the
9 responsibilities in paragraphs—(1) (2) to (5), inclusive, of
10 subdivision (b).

11 66552. (a) The board of directors shall appoint an executive
12 officer of the authority, who shall serve at the pleasure of the board
13 of directors. The executive officer shall be authorized to appoint
14 additional staff of the authority as necessary.

15 (b) *The board shall prescribe rules for the transaction of its*
16 *own affairs in accordance with all the following requirements and*
17 *limitations:*

18 (1) *The votes of all members shall be recorded.*

19 (2) *Effective action shall require the affirmative vote of a*
20 *majority of all the duly appointed members of the board, not*
21 *including vacant seats on the board.*

22 (3) *The affirmative vote of two-thirds of all the duly appointed*
23 *members of the board, not including vacant seats on the board,*
24 *shall be required to appoint the executive officer.*

25 66553. (a) The board of directors shall convene a technical
26 working group to advise on data and policy matters before the
27 board of directors. The working group shall include the following
28 persons:

29 (1) The chief executive officer of each of the segments of public
30 postsecondary education, or designee of the chief executive officer.

31 (2) The chair, or the designee of the chair, of the largest
32 association of the independent California colleges and universities
33 that are formed and operated as nonprofit corporations in this state
34 and are accredited by a regional accreditation agency recognized
35 by the United States Department of Education.

36 (3) The chair, or designee of the chair, of the Bureau for Private
37 Postsecondary Education advisory committee.

38 (4) The chair, or designee of the chair, of the California Student
39 Aid Commission.

1 (5) The chair, or designee of the chair, of the academic senate
2 for each of the segments of public postsecondary education.

3 (6) The Superintendent of Public Instruction, or designee of the
4 Superintendent.

5 (b) The technical working group shall receive board of directors
6 meeting agenda items and association documents in a timely
7 manner for its consideration and comments in advance of the
8 meeting.

9 66554. Notwithstanding any other law:

10 (a) On and after July 1, 2015, the authority shall succeed to the
11 data management responsibilities granted to the former California
12 Postsecondary Education Commission pursuant to subdivision (m)
13 of former Section 66903 as it existed on December 31, 2013, and
14 as currently set forth in paragraph (8) of subdivision (b) of Section
15 66551. The authority may disclose data it receives or maintains
16 under this section only as specifically authorized to do so in
17 paragraph (8) of subdivision (b) of Section 66551, and shall dispose
18 of data it receives only in accordance with applicable state and
19 federal law.

20 (b) The authority is authorized to require the governing boards
21 and the institutions of public postsecondary education to submit
22 data on plans and programs, costs, selection and retention of
23 students, enrollments, plant capacities, and other matters pertinent
24 to effective planning, policy development, and articulation and
25 coordination, and shall furnish information concerning these
26 matters to the Governor and to the Legislature as requested by
27 them.

28 66555. This chapter shall become operative on July 1, 2015.

29 SEC. 2. Chapter 11 (commencing with Section 66900) of Part
30 40 of Division 5 of Title 3 of the Education Code is repealed.

31 SEC. 3. The appointment to the technical working group of
32 the chair, or designee of the chair, of the Bureau for Private
33 Postsecondary Education advisory committee pursuant to paragraph
34 (3) of subdivision (a) of Section 66553 of this act shall become
35 operative only if an act that becomes operative on or before January
36 1, 2015, amends or repeals Section 94950 of the Education Code
37 to delay or eliminate the January 1, 2015, repeal date of the
38 California Private Postsecondary Education Act of 2009 (Chapter

- 1 8 (commencing with Section 94800) of Part 59 of Division 10 of
- 2 Title 3 of the Education Code).

O