

AMENDED IN ASSEMBLY JUNE 8, 2016

SENATE BILL

No. 412

Introduced by ~~Senator~~ *Senators Glazer and De León*

February 25, 2015

~~An act to amend Section 14999.3 of the Government Code, relating to state government.~~ *An act to add Part 40.2 (commencing with Section 67430) to Division 5 of Title 3 of the Education Code, relating to public postsecondary education.*

LEGISLATIVE COUNSEL'S DIGEST

SB 412, as amended, ~~De León~~ *Glazer*. ~~The Commission for Economic Development.~~ *The California Promise.*

Existing law establishes the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as 2 of the segments of public postsecondary education in this state.

This bill would establish the California Promise, which would require the trustees and the board of governors to establish a program that authorizes a campus of the California State University and the California Community Colleges to enter into a pledge with a student who satisfies specified criteria to support the student in obtaining an associate degree within 2 academic years, or a baccalaureate degree within 4 academic years, of freshman admission. The bill would require the trustees to submit a report to the appropriate policy and fiscal committees of the Legislature that includes demographic information about students who participate in the program and a summary description of significant differences in implementation of the program by campus. The bill would require the trustees and the board of

governors to submit recommendations to the appropriate policy and fiscal committees of the Legislature regarding potential financial incentives that can benefit students who participate in the program.

By imposing new duties on community college districts, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~Existing law establishes the Commission for Economic Development for the purpose of providing continuing bipartisan legislative, executive branch, and private sector support and guidance for economic development of the state. Existing law authorizes the commission to appoint advisory committees from outside its membership to represent specified segments of the state’s economy for the purpose of carrying out its responsibilities.~~

~~This would expand the segments of the state’s economy from which the commission may appoint advisory committees to include the biotech segment.~~

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

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

1 SECTION 1. Part 40.2 (commencing with Section 67430) is
2 added to Division 5 of Title 3 of the Education Code, to read:

3

4 PART 40.2. THE CALIFORNIA PROMISE

5

6 67430. This part shall be known, and may be cited, as the
7 California Promise.

8 67431. For purposes of this part, the following terms have the
9 following meanings:

10 (a) “Academic year of the student’s freshman admission” means
11 the first full academic year in which a person is a student at a

1 *campus of the California State University or the California*
2 *Community Colleges.*

3 *(b) “Board of governors” means the Board of Governors of the*
4 *California Community Colleges.*

5 *(c) “Trustees” means the Trustees of the California State*
6 *University.*

7 *67432. The California Promise is hereby established to support*
8 *students who enroll in the campuses of the California State*
9 *University and the California Community Colleges in obtaining*
10 *associate degrees within two academic years, and baccalaureate*
11 *degrees within four academic years, as applicable, of the academic*
12 *year of the student’s freshman admission.*

13 *67433. The Legislature finds and declares all of the following:*

14 *(a) This part is needed to facilitate the availability and*
15 *completion of coursework for degree programs offered by*
16 *campuses of the California State University and the California*
17 *Community Colleges and to ensure that students enrolled in these*
18 *campuses are able to complete associate degree programs within*
19 *two academic years, and baccalaureate degree programs within*
20 *four academic years, as applicable, of the academic year of the*
21 *student’s freshman admission.*

22 *(b) A more concerted, statewide effort to create pathways to*
23 *four-year graduation is needed at the California State University.*
24 *For the 2010 cohort of full-time, first-time students at the*
25 *California State University, 19 percent graduated within four*
26 *academic years. According to the Legislative Analyst’s Office, the*
27 *most recent nationally comparable data shows that the California*
28 *State University’s overall four-year graduation rate was 16 percent*
29 *in 2011, below the national rate of 26 percent among similar public*
30 *institutions.*

31 *(c) Impediments to graduating within four academic years*
32 *include the failure of students to complete sufficient units per*
33 *academic year and the lack of available high-demand courses.*

34 *(d) New approaches are critical for the future of higher*
35 *education in California. Efforts have been ongoing, though*
36 *sporadic, to improve postsecondary educational institution*
37 *enrollment and graduation. These efforts will need to be intensified*
38 *and made more broadly systemic.*

39 *(e) Students who graduate within four academic years save tens*
40 *of thousands of dollars. In addition to the direct costs of extended*

1 college and university enrollment, students miss out on earnings
2 in the workforce while they remain in school.

3 (f) When California experiences a decline in college and
4 university graduates, the state's economy shrinks and employers
5 seek qualified candidates outside the state. Furthermore, a larger
6 share of the state's workforce is downgraded to lower-paying jobs
7 and consumer behavior and home ownership declines, which leads
8 to plummeting revenues for local and state government and to
9 more people relying on increasingly decimated government
10 services.

11 (g) According to the Public Policy Institute of California, if
12 bold measures are not taken, California will fall short of the state's
13 economic demand by 1.1 million college and university graduates
14 by 2030. An increased demand for highly educated workers will
15 outweigh the number of qualified applicants for available jobs,
16 which will be exacerbated when scores of highly educated baby
17 boomers retire. The share of workers with a baccalaureate degree
18 will be 33 percent in 2030, below the 38 percent that will be
19 needed.

20 (h) The impact of graduation rates from California State
21 University campuses is felt not only throughout the state, but also
22 the nation. One out of every 10 California employees is a
23 California State University graduate, while one out of every 20
24 United States citizens with a college or university degree graduates
25 from a campus of the California State University. These statistics
26 emphasize the national importance of graduation rates at
27 California State University campuses.

28 (i) It is the intent of the Legislature that the California Promise
29 will enable the California State University system to meet and
30 exceed the national average of similar public postsecondary
31 educational institutions as quickly as possible.

32 (j) The California Promise programs established at the
33 California State University and the California Community Colleges
34 in accordance with this part should aim to reflect the demographics
35 of their respective campuses and target a diverse set of students.

36 67434. (a) The trustees and the board of governors shall
37 develop and implement a California Promise program that
38 complies with this part at 10 or more of their respective campuses.

39 (b) Commencing with the 2017–18 fiscal year, the trustees and
40 the board of governors shall authorize each campus with a

1 *California Promise program pursuant to subdivision (a) to enter*
2 *into a pledge with a qualifying student of the campus, including a*
3 *community college transfer student, to support the student in*
4 *obtaining an associate degree within two academic years, or a*
5 *baccalaureate degree within four academic years, as applicable,*
6 *of the academic year of the student's freshman admission.*

7 *(c) Except as provided in paragraph (2) of subdivision (e), to*
8 *be a qualifying student at the California State University, the*
9 *student must comply with both of the following:*

10 *(1) Be a California resident for purposes of in-state tuition*
11 *eligibility.*

12 *(2) Complete at least 30 semester units or the quarter equivalent*
13 *per academic year. Units completed by the student during a*
14 *summer term may count towards the previous or following*
15 *academic year as determined by the trustees.*

16 *(d) To be a qualifying student at a community college, the*
17 *student must comply with all of the following:*

18 *(1) Be a California resident for purposes of in-state tuition*
19 *eligibility.*

20 *(2) Complete at least 30 semester units or the quarter equivalent*
21 *per academic year. Units completed by the student during a*
22 *summer term may count towards the previous or following*
23 *academic year as determined by the board of governors.*

24 *(3) Be enrolled in an associate degree for transfer program at*
25 *a community college.*

26 *(4) Participate in the program of services outlined in paragraph*
27 *(2) of subdivision (a) of Section 78212, and any other regulatory*
28 *requirements adopted for implementation of the Student Success*
29 *and Support Program established in Article 1 (commencing with*
30 *Section 78210) of Chapter 2 of Part 48 of Division 7.*

31 *(e) (1) Each program established by the trustees at a California*
32 *State University campus shall be reviewed by each campus'*
33 *graduation initiative advisory committee or a committee designated*
34 *with similar functions. The committee shall ensure the goals of the*
35 *program and implementation steps lead to increasing the campus'*
36 *four-year graduation rates for students who enrolled as first-time*
37 *freshman and two-year graduation rates for community college*
38 *transfer students.*

39 *(2) The committee at each campus may develop additional*
40 *eligibility requirements to prioritize specific student populations*

1 *that have lower four-year graduation rates at the campus for those*
2 *who enroll as first-time freshman and lower two-year graduation*
3 *rates for those who enroll as community college transfer students,*
4 *including, but not limited to, all of the following student*
5 *populations:*

6 *(A) Students who receive financial aid under the federal Pell*
7 *Grant Program (20 U.S.C. Sec. 1070a) or the Cal Grant Program*
8 *established in Chapter 1.7 (commencing with Section 69430) of*
9 *Part 42.*

10 *(B) Underrepresented students.*

11 *(C) First generation college students.*

12 *(3) It is the intent of the Legislature that the California Promise*
13 *program at each campus gradually scale up in order to*
14 *accommodate as many students into the program as feasible.*

15 *(f) Support provided by a California State University campus*
16 *to a student who participates in the campus' California Promise*
17 *program shall include, but not be limited to, both of the following:*

18 *(1) Priority registration in coursework.*

19 *(2) Academic advisement that includes monitoring the student's*
20 *academic progress.*

21 *(g) Support provided by a community college campus to a student*
22 *who participates in the campus' California Promise program shall*
23 *include those services outlined in paragraph (2) of subdivision (a)*
24 *of Section 78212.*

25 *(h) (1) The trustees and the board of governors shall develop*
26 *application criteria, administrative guidelines, and additional*
27 *requirements, including how campuses will measure student*
28 *success, for purposes of implementing and administering the*
29 *California Promise program.*

30 *(2) Requirements developed in accordance with paragraph (1)*
31 *may include a requirement that a student who participates in a*
32 *California Promise program maintain a minimum grade point*
33 *average determined by the student's campus.*

34 *(3) In developing requirements for the California Promise*
35 *program, the trustees and the board of governors shall take into*
36 *consideration the report on graduation rates required pursuant*
37 *to Item 6610-001-0001 of Section 2.00 of the Budget Act of 2016.*

38 *(i) (1) The trustees shall submit a report to the appropriate*
39 *policy and fiscal committees of the Legislature by January 1, 2021,*
40 *that includes all of the following:*

- 1 (A) *The total number of students participating in the program*
2 *disaggregated by individual campus and all of the following:*
3 (i) *Community college transfer students and students who enroll*
4 *as first-time freshman.*
5 (ii) *First generation college students.*
6 (iii) *Recipients of financial aid under the federal Pell Grant*
7 *Program (20 U.S.C. Sec. 1070a) or the Cal Grant Program*
8 *established in Chapter 1.7 (commencing with Section 69430) of*
9 *Part 42.*
10 (iv) *Student ethnicity.*
11 (B) *The total number of students who graduated in four*
12 *academic years for students who enrolled as first-time freshman*
13 *and two academic years for community college transfer students,*
14 *disaggregated by individual campus and the characteristics*
15 *identified in clauses (i) to (iv), inclusive, or subparagraph (A).*
16 (2) *The trustees shall submit a report to the appropriate policy*
17 *and fiscal committees of the Legislature by January 1, 2019, that*
18 *includes the total number of the first cohort of community college*
19 *transfer students participating in the program, disaggregated by*
20 *individual campus and the characteristics listed in clauses (ii) to*
21 *(iv), inclusive, of subparagraph (A) of paragraph (1).*
22 (3) *The reports required in paragraphs (1) and (2) shall include*
23 *a summary description of significant differences regarding*
24 *implementation of the California Promise program by campus,*
25 *including, but not limited to, the prioritization of student*
26 *populations pursuant to paragraph (2) of subdivision (e) if*
27 *applicable, the role of academic advising, and the implementation*
28 *of priority registration.*
29 (j) *The trustees and the board of governors shall submit*
30 *recommendations to the appropriate policy and fiscal committees*
31 *of the Legislature by March 15, 2017, regarding potential financial*
32 *incentives that can benefit students who participate in the*
33 *California Promise program, including, but not limited to,*
34 *incentives for qualifying students who are unable to graduate*
35 *within four or two academic years, as applicable, due to a lack of*
36 *course offerings.*
37 (k) *A student who participates in the California Promise*
38 *program at a community college and who successfully completes*
39 *his or her associate degree for transfer within two academic years*
40 *shall be guaranteed participation in the California Promise*

1 program at the California State University transfer campus, if
2 established.

3 (l) The trustees and the board of governors shall make every
4 effort to close the achievement gap and encourage broad
5 participation in a California Promise program that reflects a
6 participating campus' demographics.

7 SEC. 2. If the Commission on State Mandates determines that
8 this act contains costs mandated by the state, reimbursement to
9 local agencies and school districts for those costs shall be made
10 pursuant to Part 7 (commencing with Section 17500) of Division
11 4 of Title 2 of the Government Code.

12 SECTION 1. ~~Section 14999.3 of the Government Code is~~
13 ~~amended to read:~~

14 ~~14999.3. The commission shall appoint advisory committees~~
15 ~~from outside its membership to represent the aerospace, biotech,~~
16 ~~manufacturing, maritime, tourism, and world trade segments of~~
17 ~~the state's economy, and other advisory committees as it deems~~
18 ~~necessary for the purpose of carrying out its responsibilities as set~~
19 ~~forth in this article. The committees shall serve at no cost to state~~
20 ~~government.~~