

**Senate Bill No. 412**

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Passed the Senate August 30, 2016

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*Secretary of the Senate*

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Passed the Assembly August 23, 2016

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add and repeal Part 40.2 (commencing with Section 67430) of Division 5 of Title 3 of the Education Code, relating to public postsecondary education.

## LEGISLATIVE COUNSEL'S DIGEST

SB 412, Glazer. Public postsecondary education: 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 specified minimum numbers of campuses of the California State University to establish a California Promise program by which the campus would enter into a pledge with a student who satisfies specified criteria to support the student in earning a baccalaureate degree within 4 academic years, or if the student is a community college transfer student who earned an associate degree for transfer, within 2 academic years, of the academic year of the student's first year of enrollment, as specified. The bill would require the trustees to submit, by July 1, 2021, a report to the appropriate policy and fiscal committees of the Legislature that includes specified information about students who participate in the program and a summary description of significant differences in implementation of the program by campuses. The bill would require the trustees to submit recommendations, by March 15, 2017, to the appropriate policy and fiscal committees of the Legislature regarding potential financial incentives that could benefit students who participate in the program. The bill's provisions would be repealed as of January 1, 2026.

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

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

PART 40.2. THE CALIFORNIA PROMISE

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

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

(a) “Academic year of the student’s first year of enrollment” means the first full academic year in which a person is a student at the California State University.

(b) “Campus” means a campus within the California State University system as set forth in Section 89001.

(c) “Transfer student” is a student who earned an associate degree for transfer from a California community college.

(d) “Trustees” means the Trustees of the California State University.

67432. The California Promise is hereby established to support California State University students in earning a baccalaureate degree within four academic years of the student’s first year of enrollment or, for transfer students within two academic years of the student’s first year of enrollment to the campus.

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

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

(b) Impediments students face in graduating within four academic years include the inability to complete sufficient units per academic year or take courses that are part of their degree programs.

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

(d) Students who graduate within four academic years save tens of thousands of dollars. In addition to the direct costs of extended college and university enrollment, students miss out on earnings in the workforce while they remain in school.

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

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

(g) It is the intent of the Legislature that the California State University system include the California Promise as a component of the plan submitted to the Legislature and the Department of Finance to increase graduation rates at CSU campuses above those at other institutions and increase graduation rates for low-income students, first-generation students, and students from underrepresented minority groups as quickly as possible.

(h) The California Promise programs established at the California State University in accordance with this part should aim to reflect the demographics of their respective campuses and make the benefits provided available on an equitable basis considering the populations attending each campus.

67434. (a) The trustees shall develop and implement a California Promise program that complies with this part.

(b) Commencing with the 2017–18 academic year, a minimum of eight campuses shall have established a California Promise program by which the campus enters into a pledge with a qualifying student who is enrolled at the campus and who is not a transfer student to support the student in earning a baccalaureate degree within four academic years of the academic year of the student’s first year of enrollment.

(c) Commencing with the 2017–18 academic year, a minimum of 15 campuses shall have established a California Promise program by which the campus enters into a pledge with a qualifying transfer student to support the student in earning a baccalaureate degree program within two academic years of the student’s first year of enrollment to the campus, as applicable.

(d) Commencing with the 2018–19 academic year, a minimum of 20 campuses shall have established a California Promise program by which the campus enters into a pledge with a qualifying transfer student to support the student in earning a baccalaureate degree within two academic years of the student’s first year of enrollment to the campus, as applicable.

(e) To be a qualifying entering student or transfer student at the California State University, the student must comply with both of the following:

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

(2) Commit to completing at least 30 semester units or the quarter equivalent per academic year. Units completed by the student during a summer term may count towards the previous or following academic year as determined by the trustees.

(f) Each College Promise program shall be reviewed by a graduation initiative advisory committee of the campus or a committee with similar functions designated by the president of the campus.

(g) (1) A campus shall guarantee participation in the program to, at a minimum, any student who is any of the following:

(A) A low-income student. For purposes of this section, “low-income student” shall have the same meaning as specified in Section 89295.

(B) A student who has graduated from a high school located in a community that is underrepresented in college attendance.

(C) A student who is a first-generation college student.

(D) A transfer student.

(2) It is the intent of the Legislature that the California Promise program at each campus accommodate as many students into the program as feasible and in consideration of available funding.

(h) Support provided by a California State University campus to a student who participates in the California Promise program shall include, but not necessarily be limited to, both of the following:

(1) (A) Priority registration in coursework.

(B) For purposes of this paragraph, a student shall not receive priority registration in coursework under the program if he or she qualifies for priority registration under another policy or program, as determined by the campus or the Office of the Chancellor of the California State University.

(C) A graduation initiative advisory committee of the campus, or a committee with similar functions designated by the president of the campus, shall consider pre-existing priority registration policies when implementing this section.

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

(i) (1) The trustees shall develop application criteria, administrative guidelines, and additional requirements, including how campuses will measure student success, for purposes of implementing and administering the California Promise program.

(2) As a condition of continued participation in a California Promise program, a student may be required to demonstrate both of the following:

(A) Completion of at least 30 semester units, or the quarter equivalent, in each prior academic year.

(B) Attainment of a grade point average in excess of a standard established by the campus.

(3) In implementing this part, the trustees shall take into consideration the report on graduation rates required pursuant to Item 6610-001-0001 of Section 2.00 of the Budget Act of 2016.

(j) (1) The trustees shall submit a report to the appropriate policy and fiscal committees of the Legislature by July 1, 2021, that includes all of the following:

(A) The number of students participating in the program in total, by campus, and disaggregated based on the following:

(i) Whether the student entered as a first-time freshman or a transfer student.

(ii) Whether the student is a first-generation college student.

(iii) Whether the student is a recipient of financial aid under the Federal Pell Grant Program (20 U.S.C. Sec. 1070a) or the Cal Grant Program established in Chapter 1.7 (commencing with Section 69430) of Part 42.

(iv) According to the student's ethnicity.

(B) The total number of students who graduated in four academic years for students who entered as first-time freshmen, and two academic years, for students who entered as transfer students, in total, by campus, and disaggregated based on the characteristics identified in clauses (i) to (iv), inclusive, or subparagraph (A).

(2) The report required by paragraph (1) shall include a summary description of significant differences in the implementation of the California Promise program at each campus.

(k) The trustees shall submit recommendations to the appropriate policy and fiscal committees of the Legislature by March 15, 2017, regarding potential financial incentives that could benefit students who participate in the California Promise program.

(l) A student who successfully completes his or her associate degree for transfer at a community college shall be guaranteed participation in the California Promise program at the California State University transfer campus, if established.

(m) The trustees shall make every effort to close the achievement gap and encourage broad participation in a California Promise program that reflects the demographic populations served by the campus.

67435. This part shall remain in effect only until January 1, 2026, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2026, deletes or extends that date.

Approved \_\_\_\_\_, 2016

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*Governor*