

AMENDED IN ASSEMBLY JUNE 12, 2012

AMENDED IN SENATE JANUARY 4, 2012

AMENDED IN SENATE MARCH 23, 2011

SENATE BILL

No. 721

Introduced by Senator Lowenthal

February 18, 2011

An act to add Chapter 13 (commencing with Section 67050) to Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 721, as amended, Lowenthal. California postsecondary education: state goals.

Existing law establishes the University of California, under the administration of the Regents of the University of California, 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 the 3 segments of public postsecondary education in this state.

Existing law establishes a higher education accountability program under which the University of California, the California State University, and the California Community Colleges are required to prepare a list of reports on a regular basis and present those reports to the Legislature and to state agencies.

This bill would state the intent of the Legislature that budget and policy decisions regarding postsecondary education generally adhere to 3 specified goals. The bill would also state the intent of the Legislature

to identify and define appropriate metrics in order to monitor progress toward the achievement of those 3 goals and establish interim targets for those metrics to be achieved by 2025. The bill would require the Legislative Analyst's Office to convene a working group to develop those metrics, *and any recommended interim targets for those metrics*, as specified. The bill would require the Legislative Analyst's Office, in consultation with the Department of Finance, to submit recommended metrics to specified persons and entities on or before January 1, 2013. The bill would state the intent of the Legislature to formally adopt statewide metrics based on those recommended metrics. Commencing September 30, 2013, the bill would require the Legislative Analyst's Office to annually release a statewide performance report, as specified, using each of the statewide metrics adopted by the Legislature. Commencing January 1, 2014, the bill would require the Legislative Analyst's Office to annually provide its own assessment of progress toward the achievement of those 3 goals, as specified, with recommendations for legislative action, as appropriate. *The bill also would require the segments of postsecondary education, as defined, to have the opportunity to annually provide their own assessment.* The bill would also state additional legislative intent and make specified findings and declarations regarding state goals for postsecondary education.

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 13 (commencing with Section 67050)
2 is added to Part 40 of Division 5 of Title 3 of the Education Code,
3 to read:
4
5 CHAPTER 13. STATE GOALS FOR CALIFORNIA'S POSTSECONDARY
6 EDUCATION SYSTEM
7
8 67050. The Legislature finds and declares all of the following:
9 (a) Since the enactment of the Master Plan for Higher Education
10 in 1960, California's system of postsecondary education has
11 provided access and high-quality educational opportunities that
12 have fueled California's economic growth and promoted social
13 mobility.

1 (b) In today's global information economy, California's national
2 and international success as an educational and economic leader
3 will require strategic investments in, and improved management
4 of, state educational resources.

5 (c) Several factors, including changing demographics, rising
6 costs, increased competition for scarce state funding, and employer
7 concerns about graduates' skills, present new challenges to higher
8 education and state policymakers in effectively meeting the
9 postsecondary education needs of Californians.

10 (d) Although the public segments of higher education have each
11 undertaken efforts to improve reporting and transparency, these
12 efforts do not combine to indicate whether the postsecondary
13 system as a whole is on track to meet the state's needs.

14 (e) The absence of a common vision and goals for California's
15 postsecondary education system hinders the state's ability to
16 effectively make critical fiscal and policy decisions.

17 (f) Policy and educational leaders should collectively hold
18 themselves accountable for meeting the state's civic and workforce
19 needs, for ensuring the efficient and responsible management of
20 public resources, and for ensuring that California residents have
21 the opportunity to successfully pursue and achieve their
22 postsecondary educational goals.

23 67051. In order to promote the state's competitive economic
24 position and quality of civic life, it is necessary to increase the
25 level of educational attainment of California's adult population to
26 meet the state's civic and workforce needs. To achieve that
27 objective, it is the intent of the Legislature that budget and policy
28 decisions regarding postsecondary education generally adhere to
29 all of the following goals:

30 (a) Improve student success, which shall include, but not be
31 limited to, greater participation by demographic groups that have
32 historically participated at lower rates, greater completion rates
33 by all students, and improved outcomes for graduates.

34 (b) Better align the types of degrees and credentials awarded
35 with the state's *economic*, workforce, and civic needs.

36 ~~(c) Increase efficiency so that desired postsecondary education~~
37 ~~outcomes can be achieved with a given level of resources while~~
38 ~~maintaining high quality.~~

1 (c) *Ensure the effective and efficient use of resources in order*
2 *to increase high-quality postsecondary educational outcomes and*
3 *maintain affordability.*

4 67052. (a) The Legislature intends to identify and define
5 appropriate metrics in order to monitor progress toward the
6 achievement of the goals specified in Section 67051. *The metrics*
7 *should take into account the distinct missions of the different*
8 *segments of postsecondary education.* The Legislature further
9 intends to establish interim targets for those metrics to be achieved
10 by 2025.

11 (b) (1) The metrics *and any recommended interim targets for*
12 *those metrics* referenced in subdivision (a) shall be developed with
13 the assistance of a working group that shall be convened by the
14 Legislative Analyst's Office. The Legislative Analyst's Office
15 shall assemble the working group by selecting participants as
16 follows:

17 (A) (i) One representative from each of the postsecondary
18 education segments, as defined in Section 67055, *and a*
19 *representative of the State Department of Education.*

20 (ii) *The representative of the independent institutions of higher*
21 *education shall be from the official organization representing the*
22 *largest number of independent institutions of higher education in*
23 *the state. The representative of the private postsecondary*
24 *educational institutions shall be the chief of the Bureau for Private*
25 *Postsecondary Education, or the chief's designee.*

26 (B) One representative of the Department of Finance.

27 (C) At least one member, but no more than three members, with
28 expertise in similar state accountability efforts, who is not a regular
29 employee of a postsecondary education segment.

30 (D) A representative of the Legislative Analyst's Office, who
31 shall serve as the chairperson of the working group.

32 (2) The Legislative Analyst's Office may request technical input
33 from any agency that maintains data that would be helpful in
34 developing the metrics and assessing progress toward achieving
35 the goals specified in Section 67051.

36 (3) The working group established pursuant to paragraph (1)
37 shall develop a set of at least 6, and no more than 12, metrics that
38 can be derived from publicly available data sources for purposes
39 of periodically assessing the state's progress toward meeting each
40 of the goals specified in Section 67051. The metrics shall be

1 disaggregated and reported by gender, race or ethnicity, income,
2 age group, and full-time or part-time enrollment status, where
3 appropriate and applicable.

4 (4) The Legislative Analyst's Office, in consultation with the
5 Department of Finance, shall submit recommended metrics
6 developed pursuant to paragraph (1) to the appropriate policy
7 committees of the Legislature, the Joint Legislative Budget
8 Committee, and the Governor on or before January 31, 2013.

9 (5) It is the intent of the Legislature to formally adopt statewide
10 metrics based on the recommendations submitted by the Legislative
11 Analyst's Office pursuant to paragraph (4) and to use these metrics
12 to monitor progress toward achieving the goals specified in Section
13 67051.

14 67053. It is the intent of the Legislature to promote progress
15 on the statewide educational and economic policy goals specified
16 in Section 67051 through budget and policy decisions regarding
17 higher education. ~~Rather than envisioning a particular level of~~
18 ~~postsecondary education funding necessary to achieve these goals,~~
19 ~~it~~ It is the intent of the Legislature that the state level reporting
20 system established pursuant to Section 67054 ~~ensure~~ ensures the
21 effective and efficient use of ~~whatever funding is~~ state resources
22 available to postsecondary education.

23 67054. (a) Commencing September 30, 2013, the Legislative
24 Analyst's Office shall annually release a statewide performance
25 report using each of the metrics adopted by the Legislature pursuant
26 to paragraph (5) of subdivision (b) of Section 67052. The report
27 shall benchmark each of the metrics against the interim target
28 established pursuant to subdivision (a) of Section 67052 and against
29 an appropriate contextual range of other states' performance. This
30 report shall be available publicly for use by the segments of
31 postsecondary education, the Governor, the Department of Finance,
32 the Legislature, and other stakeholder groups to make their own
33 assessments about the performance of the postsecondary education
34 system.

35 (b) Commencing January 1, 2014, the Legislative Analyst's
36 Office shall annually provide its own assessment of progress
37 toward the achievement of the goals specified in Section 67051,
38 with recommendations for legislative action, as appropriate. The
39 Legislative Analyst's Office's assessment and recommendations,
40 *and any assessments of programs from the segments of*

1 *postsecondary education*, shall be provided as part of the budget
2 hearing process. Specifically, the Legislative Analyst's Office's
3 assessment shall do all of the following:

4 (1) Assess the level of progress toward achieving the goals
5 specified in Section 67051 and outcomes achieved.

6 (2) Identify significant factors that may explain the level of
7 progress and outcomes specified in paragraph (1).

8 (3) Identify postsecondary education policy and funding options
9 suggested by the metrics developed pursuant to subdivision (b) of
10 Section 67052 for consideration by the Governor and the
11 Legislature.

12 *(c) The segments of postsecondary education shall have the*
13 *opportunity to annually provide their own assessment of progress*
14 *toward achieving the goals specified in Section 67051.*

15 67055. For the purposes of this chapter, "segments of
16 postsecondary education" means the California Community
17 Colleges, the California State University, the University of
18 California, ~~independent colleges and universities,~~ *institutions of*
19 *higher education, as defined in Section 66010,* and private
20 postsecondary educational institutions, as defined in Section 94858.