

AMENDED IN ASSEMBLY AUGUST 20, 2012

AMENDED IN ASSEMBLY JUNE 21, 2012

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

(Principal coauthors: Assembly Members Block and Portantino)

(Coauthor: Senator Liu)

(Coauthor: Assembly Member Lara)

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~~ *following a review of* 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 assessments. 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:

1 CHAPTER 13. STATE GOALS FOR CALIFORNIA'S POSTSECONDARY
2 EDUCATION SYSTEM
3

4 67050. The Legislature finds and declares all of the following:

5 (a) Since the enactment of the Master Plan for Higher Education
6 in 1960, California's system of postsecondary education has
7 provided access and high-quality educational opportunities that
8 have fueled California's economic growth and promoted social
9 mobility.

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

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

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

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

26 (f) Policy and educational leaders should collectively hold
27 themselves accountable for meeting the state's civic and workforce
28 needs, for ensuring the efficient and responsible management of
29 public resources, and for ensuring that California residents have
30 the opportunity to successfully pursue and achieve their
31 postsecondary educational goals.

32 67051. In order to promote the state's competitive economic
33 position and quality of civic life, it is necessary to increase the
34 level of educational attainment of California's adult population to
35 meet the state's civic and workforce needs. To achieve that
36 objective, it is the intent of the Legislature that budget and policy
37 decisions regarding postsecondary education generally adhere to
38 all of the following goals:

39 (a) Improve student *access and* success, which shall include,
40 but not be limited to, *all of the following goals*: greater participation

1 by demographic groups that have historically participated at lower
2 rates, greater completion rates by all students, and improved
3 outcomes for graduates.

4 (b) Better align degrees and credentials with the state's
5 economic, workforce, and civic needs.

6 (c) Ensure the effective and efficient use of resources in order
7 to increase high-quality postsecondary educational outcomes and
8 maintain affordability.

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

16 (b) (1) The metrics and any recommended interim targets for
17 those metrics referenced in subdivision (a) shall be developed with
18 the assistance of a working group that shall be convened by the
19 Legislative Analyst's Office. The Legislative Analyst's Office
20 shall assemble the working group by selecting participants as
21 follows:

22 (A) (i) One representative from each of the postsecondary
23 education segments, as defined in Section 67055, and a
24 representative of the State Department of Education.

25 (ii) The representative of the independent institutions of higher
26 education shall be from the official organization representing the
27 largest number of independent institutions of higher education in
28 the state. The representative of the private postsecondary
29 educational institutions shall be the Chief of the Bureau for Private
30 Postsecondary Education, or the chief's designee.

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

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

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

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

1 (3) The working group established pursuant to paragraph (1)
2 shall develop a set of at least 6, and no more than 12, metrics that
3 can be derived from publicly available data sources for purposes
4 of periodically assessing the state's progress toward meeting each
5 of the goals specified in Section 67051. The metrics shall be
6 disaggregated and reported by gender, race or ethnicity, income,
7 age group, and full-time or part-time enrollment status, where
8 appropriate and applicable.

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

14 (5) It is the intent of the Legislature to formally adopt statewide
15 metrics ~~based on~~ *following a review of* the recommendations
16 submitted by the Legislative Analyst's Office pursuant to paragraph
17 (4) and to use these metrics to monitor progress toward achieving
18 the goals specified in Section 67051.

19 67053. It is the intent of the Legislature to promote progress
20 on the statewide educational and economic policy goals specified
21 in Section 67051 through budget and policy decisions regarding
22 higher education. It is the intent of the Legislature that the state
23 level reporting system established pursuant to Section 67054
24 ensures the effective and efficient use of state resources available
25 to postsecondary education.

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

38 (b) Commencing January 1, 2014, the Legislative Analyst's
39 Office shall annually provide its own assessment of progress
40 toward the achievement of the goals specified in Section 67051,

1 with recommendations for legislative action, as appropriate. The
2 Legislative Analyst's Office's assessment and recommendations;
3 along with any assessments of progress from the segments of
4 postsecondary education, shall be provided as part of the budget
5 hearing process. Specifically, the Legislative Analyst's Office's
6 assessment shall do all of the following:

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

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

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

15 (c) The segments of postsecondary education shall have the
16 opportunity to annually provide their own assessments of progress
17 toward achieving the goals specified in Section 67051.

18 67055. For the purposes of this chapter, "segments of
19 postsecondary education" means the California Community
20 Colleges, the California State University, the University of
21 California, independent institutions of higher education, as defined
22 in Section 66010, and private postsecondary educational
23 institutions, as defined in Section 94858.