

AMENDED IN SENATE APRIL 30, 2012

AMENDED IN SENATE APRIL 11, 2012

SENATE BILL

No. 1550

Introduced by Senator Wright

February 24, 2012

An act to *amend Section 78021 of, and to add and repeal Article 7.5 (commencing with Section 78310) of Chapter 2 of Part 48 of Division 7 of Title 3 of, the Education Code, relating to community colleges.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1550, as amended, Wright. Community colleges: extension course pilot program.

Existing

(1) *Existing* law establishes the California Community Colleges, which are administered by the Board of Governors of the California Community Colleges. The governing board of any community college district is authorized, without approval of the board of trustees, to establish and maintain community service classes in civic, vocational, literacy, health, homemaking, technical, and general education, as specified.

This bill would require the Office of the Chancellor of the California Community Colleges to establish a voluntary pilot program for purposes of authorizing a community college district to establish and maintain an extension program offering career and workforce training credit courses, *as defined*. The bill would authorize the governing board of a community college district to apply, and would require the chancellor to select no more than 5 campuses out of 5 separate community college districts, to participate in the pilot program. The bill would require applicant campuses to meet specified requirements to be eligible

for selection for participation in the pilot program. The bill would require selected campuses to comply with specified requirements for participation in the pilot program.

The bill would authorize the governing board of a community college district participating in the pilot program to establish fees not to exceed the actual cost, as defined, of maintaining the pilot program. The bill would require each community college district participating in the pilot program to collect specified information and submit that information, and a schedule of the fees established for the pilot program, to the chancellor by August 1 of each year, and would require the chancellor to forward that information to the Legislative Analyst's Office.

The bill would require the Legislative Analyst's Office to provide a report that evaluates the pilot program and includes specified information to the Legislature by June 30, 2016.

~~The above provisions of the bill~~ would remain in effect only until January 1, 2019.

(2) Existing law authorizes the governing board of a community college district to establish contract education programs to provide specific educational programs or training, as specified.

This bill would prohibit this provision from being construed to authorize the implementation of a multitiered fee system, as specified, and would prohibit a community college district from charging a per unit fee for courses that are in excess of fee amounts specifically authorized by law, except as provided for in this bill. The bill would state the intent of the Legislature that these provisions are declarative of existing law.

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. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The California Community Colleges are experiencing record
- 4 demand for access to classes and programs that provide students
- 5 the skills and education they need to enter the workforce and
- 6 prepare for the jobs of the future.
- 7 (b) Funding for the California Community Colleges has been
- 8 cut by more than 800 million dollars since the 2008–09 fiscal year,
- 9 and students have seen fees increase by 125 percent over that time.

1 Community college budgets have been slashed at precisely the
2 time when enrollments are skyrocketing and the economy needs
3 more trained workers.

4 (c) In 2011, an estimated 140,000 students could not register
5 for even one class because courses were full. These cuts have
6 placed tremendous strain on the community colleges, and have
7 reduced students' prospects of completing their educational goals
8 in a timely fashion.

9 (d) Persons with two-year degrees are 30 percent more likely
10 to be employed and earn higher wages than those with only high
11 school diplomas.

12 (e) The United States Bureau of Labor Statistics projects that
13 occupations that require an associate's degree will grow by 19
14 percent through 2018. The California Community Colleges are
15 uniquely positioned to provide a higher education for millions of
16 Californians.

17 (f) As Californians, we need to recognize that the state's ongoing
18 economic crisis necessitates providing flexibility to postsecondary
19 educational institutions to find innovative ways to meet the training
20 needs of Californians, and also recognize that the California
21 Community Colleges are uniquely able to offer high-quality
22 programs at the lowest cost possible.

23 *SEC. 2. Section 78021 of the Education Code is amended to*
24 *read:*

25 78021. (a) The governing board of ~~any~~ a community college
26 district may establish, or with one or more community college
27 districts may establish, contract education programs within or
28 outside the state by agreement with ~~any~~ a public or private agency,
29 corporation, association, or ~~any~~ other person or body, to provide
30 specific educational programs or training to meet the specific needs
31 of these bodies.

32 (b) The contracting community college district or districts shall
33 recover, from all revenue sources, including, but not ~~necessarily~~
34 limited to, public and private sources, or any combination thereof,
35 an amount equal to, but not less than, the actual costs, including
36 administrative costs, incurred in providing these programs or
37 training.

38 (c) The attendance of students in these contract education
39 programs shall not be included for purposes of calculating the
40 full-time equivalent students (FTES) for apportionments to these

1 districts, unless all statutory and regulatory conditions for
2 generating FTES are met.

3 *(d) (1) This section shall not be construed to authorize the*
4 *implementation of a multitiered fee system through the creation*
5 *of a foundation or other affiliated entity. A community college*
6 *district shall not charge a per unit fee for courses the district, or*
7 *an affiliated entity or foundation, offers that are in excess of*
8 *applicable fee amounts specifically authorized by law, except as*
9 *provided for in Section 78130.*

10 *(2) It is the intent of the Legislature that this subdivision is*
11 *declarative of existing law.*

12 ~~SEC. 2.~~

13 SEC. 3. Article 7.5 (commencing with Section 78310) is added
14 to Chapter 2 of Part 48 of Division 7 of Title 3 of the Education
15 Code, to read:

16

17 Article 7.5. Extension Course Pilot Program

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19 78310. (a) (1) The Office of the Chancellor of the California
20 Community Colleges shall establish a voluntary pilot program for
21 purposes of authorizing a community college district to establish
22 and maintain an extension program offering career and workforce
23 training credit courses. The governing board of a community
24 college district may apply to be selected to participate in the pilot
25 program. The chancellor shall select no more than ~~eight~~ five
26 campuses out of ~~eight~~ five separate community college districts to
27 participate in the pilot program from the districts that apply to be
28 selected. In selecting campuses for the pilot program, the chancellor
29 shall consider all of the following:

30 ~~(1)~~

31 (A) Geographic, socioeconomic, and demographic diversity.

32 ~~(2)~~

33 (B) Labor market demand.

34 ~~(3)~~

35 (C) The community college district's program and planning
36 capacity.

37 ~~(4)~~

38 (D) The potential for support from funding partners in industry,
39 labor, or other private funding sources to reduce the cost of
40 attendance for students participating in the pilot program.

1 (2) *For purposes of this section, “career and workforce training*
2 *credit courses” include courses identified as vocational in the*
3 *California Community Colleges Taxonomy of Programs as it is*
4 *updated and revised.*

5 (b) To be eligible for selection for participation in the pilot
6 program, an applicant community college campus shall satisfy all
7 of the following criteria:

8 (1) Served a number of students equal to or beyond its funding
9 limit for the two immediately prior academic years, as provided
10 in the annual Budget Act and as reported by the Office of the
11 Chancellor of the California Community Colleges.

12 (2) Did not receive a stability adjustment to state apportionment
13 funding pursuant to Section 58776 of Title 5 of the California Code
14 of Regulations.

15 (3) All courses offered for credit that receive state apportionment
16 funding shall meet basic skills, transfer, or workforce development
17 objectives.

18 (4) *Prioritize enrollment of students in courses that receive state*
19 *apportionment funding in conformance with the legal authority of*
20 *the community college district governing board, Section 66025.8,*
21 *and Section 58108 of Title 5 of the California Code of Regulations,*
22 *by promoting policies that prioritize enrollment of students in*
23 *courses that receive state apportionment funding who are fully*
24 *matriculated, as defined in Section 78212, and making satisfactory*
25 *progress toward a basic skills, transfer, or workforce development*
26 *goal.*

27 (5) *Prioritize enrollment of students who are eligible for resident*
28 *tuition.*

29 (6) (A) *Limit the enrollment of students funded by the state in*
30 *“activity” courses, as defined in Section 55041 of Title 5 of the*
31 *California Code of Regulations. The applicant shall not claim*
32 *state apportionment funding for students who repeat either credit*
33 *courses or noncredit physical education or visual or performing*
34 *arts courses that are part of the same sequence of courses, unless*
35 *the student is doing so to meet degree or other local community*
36 *college district requirements and is in compliance with Section*
37 *55041 of Title 5 of the California Code of Regulations.*

38 (B) *This paragraph shall not apply to disabled students taking*
39 *adaptive activity courses, students participating in intercollegiate*

1 *athletics, or students with an approved educational plan majoring*
2 *in physical education or the performing arts.*

3 (c) The chancellor shall review pilot programs, monitor
4 compliance with the requirements of this article, and have the
5 authority to rescind the authority to participate in the pilot program
6 if the chancellor determines that the campus or its district is out
7 of compliance with this article. A campus selected by the
8 chancellor to offer extension courses under this section shall
9 comply with all of the following requirements for participation in
10 the pilot program:

11 (1) A community college district shall minimize administrative
12 expenses to the greatest extent possible in the operation of a pilot
13 program on a participant campus.

14 (2) Enrollment in the pilot program shall not be reported for
15 state apportionment funding, but shall be open to the public
16 pursuant to Section 51006 of Title 5 of the California Code of
17 Regulations.

18 (3) The governing board of a community college district shall
19 not expend General Fund moneys to establish and maintain a pilot
20 program. This prohibition shall not apply to fees generated pursuant
21 to subdivision (d).

22 (4) An extension course offered under the pilot program shall
23 not be offered at times or in locations that supplant or limit the
24 offering of programs that receive state funding, nor in conjunction
25 with courses that receive state apportionment funding.

26 (5) The community college district shall ensure that state and
27 federal financial aid is available to eligible students who participate
28 in the pilot program.

29 (6) The community college district shall provide students who
30 receive financial aid for the pilot program the same priority for
31 enrollment as students participating in the pilot program who do
32 not receive financial aid.

33 (7) Extension courses offered through the pilot program for
34 credit shall meet all the requirements, standards, and criteria for
35 courses specified in subdivisions (a) and (b) of Section 55002 of
36 Title 5 of the California Code of Regulations, including, but not
37 limited to, all criteria and procedures as prepared, distributed, and
38 maintained by the chancellor.

39 (8) Section 87482.6 shall apply to pilot programs offering
40 extension courses for credit under this section.

(9) Pilot program revenues and expenditures consisting of the current expense of education, as defined by subdivision (c) of Section 84362, shall be included by a participating community college district in complying with subdivision (d) of Section 84362.

(10) The pilot program shall be subject to existing community college district collective bargaining agreements.

(11) Pilot program credit courses shall not supplant courses funded with state apportionments. A participating community college district shall not reduce courses funded with state apportionments, which are needed by students to achieve basic skills, workforce training, or transfer goals, to expand those courses as part of the pilot program.

~~(12) The community college district shall prioritize enrollment of students in courses that receive state apportionment funding in conformance with the legal authority of the community college district governing board, Section 66025.8, and Section 58108 of Title 5 of the California Code of Regulations, by promoting policies that do both of the following:~~

~~(A) Prioritize enrollment of students in courses that receive state apportionment funding who are fully matriculated, as defined in Section 78212, and making satisfactory progress toward a basic skills, transfer, or workforce development goal.~~

~~(B) Do not unfairly or disproportionately shift students who are eligible for resident tuition, who receive financial aid pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5, or who are eligible for a fee waiver pursuant to Section 76300 from courses that receive state apportionment funding to courses offered under the pilot program.~~

(12) Adopt enrollment priority and student support policies that ensure that students who are eligible for state financial aid are not disproportionately shifted from courses that receive state apportionment funding to courses offered under the pilot program.

(d) The governing board of a community college district participating in the pilot program may establish fees not to exceed the actual cost of maintaining the pilot program under this section. For purposes of this subdivision, actual costs shall include all of the following:

(1) The cost of instruction.

(2) The cost of necessary equipment and supplies, student services, and institutional support.

(3) The administrative costs incurred by the Office of the Chancellor of the California Community Colleges in providing oversight of the pilot program.

(e) (1) Each community college district participating in the pilot program shall do both of the following:

(A) Collect and keep records that measure student participation, student demographics, and student outcomes, in a manner consistent with measures collected by community college districts in regular credit courses supported through state apportionment funding, including an analysis of program effects, if any, on a district's workload and financial status. A participating community college district shall submit this information to the chancellor by August 1 of each year.

(B) Submit a schedule of fees established pursuant to subdivision (d) to the chancellor by August 1 of each year.

(2) The chancellor shall forward the information submitted pursuant to this subdivision to the Legislative Analyst's Office.

78311. (a) On or before June 30, 2016, the Legislative Analyst's Office shall provide a report to the Legislature that evaluates the pilot program established by this article, drawing upon campus reports; campus visits; interviews with faculty, students, and administrators; and other sources the Legislative Analyst's Office deems relevant.

(b) The report prepared pursuant to this section shall include all of the following:

(1) Summary statistics relating to course offerings, student enrollment, financing, student utilization of financial aid, funding, and completion rates for the pilot program.

(2) A determination of the extent to which the pilot program complies with statutory requirements and the extent to which the pilot program results in expanded access for students.

(3) An assessment of the effect of the pilot program on the availability of, and enrollment in, courses that receive state apportionment funding, with particular attention to the demographic makeup and financial aid status of students enrolled in those courses.

(4) Recommendations as to whether the pilot program should be extended, expanded, or modified. In making recommendations, the Legislative Analyst's Office shall consider alternative

1 approaches that might achieve the goal of expanded access without
2 increasing state funding.
3 78312. This article shall remain in effect only until January 1,
4 2019, and as of that date is repealed, unless a later enacted statute,
5 that is enacted before January 1, 2019, deletes or extends that date.

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