

AMENDED IN ASSEMBLY JUNE 11, 2012

AMENDED IN SENATE MAY 25, 2012

AMENDED IN SENATE APRIL 30, 2012

AMENDED IN SENATE APRIL 11, 2012

SENATE BILL

No. 1550

Introduced by Senator Wright
(Coauthors: Senators Correa and Emmerson)

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.

(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 encourage each community college district participating in the pilot program to offer as part of the program one or more courses that lead to a certificate or diploma that is recognized by potential employers as satisfying skill requirements necessary for employment.* 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 would remain in effect only until January 1, ~~2019~~ 2018.

(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:

1 (a) The California Community Colleges are experiencing record
2 demand for access to classes and programs that provide students
3 the skills and education they need to enter the workforce and
4 prepare for the jobs of the future.

5 (b) Funding for the California Community Colleges has been
6 cut by more than 800 million dollars since the 2008–09 fiscal year,
7 and students have seen fees increase by 125 percent over that time.
8 Community college budgets have been slashed at precisely the
9 time when enrollments are skyrocketing and the economy needs
10 more trained workers.

11 (c) In 2011, an estimated 140,000 students could not register
12 for even one class because courses were full. These cuts have
13 placed tremendous strain on the community colleges, and have
14 reduced students’ prospects of completing their educational goals
15 in a timely fashion.

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

19 (e) The United States Bureau of Labor Statistics projects that
20 occupations that require an associate’s degree will grow by 19
21 percent through 2018. The California Community Colleges are
22 uniquely positioned to provide a higher education for millions of
23 Californians.

24 (f) As Californians, we need to recognize that the state’s ongoing
25 economic crisis necessitates providing flexibility to postsecondary
26 educational institutions to find innovative ways to meet the training
27 needs of Californians, and also recognize that the California
28 Community Colleges are uniquely able to offer high-quality
29 programs at the lowest cost possible.

30 SEC. 2. Section 78021 of the Education Code is amended to
31 read:

32 78021. (a) The governing board of a community college district
33 may establish, or with one or more community college districts
34 may establish, contract education programs within or outside the
35 state by agreement with a public or private agency, corporation,
36 association, or other person or body, to provide specific educational
37 programs or training to meet the specific needs of these bodies.

38 (b) The contracting community college district or districts shall
39 recover, from all revenue sources, including, but not limited to,
40 public and private sources, or any combination thereof, an amount

1 equal to, but not less than, the actual costs, including administrative
2 costs, incurred in providing these programs or training.

3 (c) The attendance of students in these contract education
4 programs shall not be included for purposes of calculating the
5 full-time equivalent students (FTES) for apportionments to these
6 districts, unless all statutory and regulatory conditions for
7 generating FTES are met.

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

15 (2) It is the intent of the Legislature that this subdivision is
16 declarative of existing law.

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

20
21 Article 7.5. Extension Course Pilot Program
22

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

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

35 (B) Labor market demand.

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

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 state
32 apportionment funding for students who repeat either credit courses
33 or noncredit physical education or visual or performing arts courses
34 that are part of the same sequence of courses, unless the student
35 is doing so to meet degree or other local community college district
36 requirements and is in compliance with Section 55041 of Title 5
37 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) (A) Except as provided for in subparagraph (B), the
27 community college district shall ensure that state financial aid,
28 including, but not limited to, Cal Grant awards, and federal
29 financial aid is available to eligible students who participate in the
30 pilot program.

31 (B) Students who participate in the pilot program shall not be
32 eligible to receive a waiver pursuant to Section 76300 for fees
33 imposed pursuant to subdivision (d).

34 (6) The community college district shall provide students who
35 receive financial aid for the pilot program the same priority for
36 enrollment as students participating in the pilot program who do
37 not receive financial aid.

38 (7) Extension courses offered through the pilot program for
39 credit shall meet all the requirements, standards, and criteria for
40 courses specified in subdivisions (a) and (b) of Section 55002 of

1 Title 5 of the California Code of Regulations, including, but not
2 limited to, all criteria and procedures as prepared, distributed, and
3 maintained by the chancellor.

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

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

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

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

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

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

27 (1) The cost of instruction.

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

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

33 (e) *Each community college district participating in the pilot*
34 *program is encouraged to offer as part of the program one or more*
35 *courses that lead to a certificate or diploma that is recognized by*
36 *potential employers as satisfying skill requirements necessary for*
37 *employment, similar to the Skills Certification System endorsed*
38 *by the National Association of Manufacturers.*

39 (e)

(f) (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 approaches that might achieve the goal of expanded access without increasing state funding.

78312. This article shall remain in effect only until January 1, 2019 2018, and as of that date is repealed, unless a later enacted

1 statute, that is enacted before January 1, ~~2019~~ 2018, deletes or
2 extends that date.

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