
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

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SUMMARY

This bill requires the California State University Board of Trustees and the Community College Board of Governors to develop and implement a program that authorizes a campus to enter into a pledge with qualifying students, as defined, to support completion of an associate degree within two years and a baccalaureate degree within four years, and outlines the requirements which may be included in such a program.

BACKGROUND

Current law established the Student Success Act, which applies to all community college students, for the purpose of increasing student access and success by providing effective core matriculation services, including orientation, assessment and placement, counseling and other education planning services and academic interventions. Community colleges have the responsibility to provide student services and support, including orientation, assessment, counseling and education planning, referral to specialized support services, and evaluation of each student's progress and referral to appropriate interventions. Students have the responsibility to identify an academic and career goal, declare a specific course of study, be diligent in class attendance and completion of assigned coursework, and complete courses and maintain academic progress toward an educational goal. (Education Code § 78210-78219; 5 California Code of Regulations § 55500-55534)

Current law requires the California State University (CSU) and each California Community College (CCC) district, and requests the University of California (UC) to give priority for registration for enrollment to any member or former member of the Armed Forces, as defined, who is a resident of California and who has received an honorable discharge, a general discharge, or an other than honorable discharge for any academic term attended at one of these institutions within four years of leaving state or federal active duty, if the institution already administers a priority enrollment system. Current law further requires that the veteran use this benefit within 15 years of leaving state or federal active duty and requires that these students comply with student responsibilities established by the Student Success Act of 2012. (Education Code § 66025.8)

Current law also requires the CSU and each CCC district, and requests of the UC to grant priority enrollment, if the institution already administers a priority enrollment system for registration, to any current or former foster youth, and repeals these provisions on January 1, 2017. (EC § 66025.9)

Existing law establishes the Community College Extended Opportunity Program & Services (EOPS) to extend opportunities for community college education to all who may profit regardless of economic, social and educational status, and to encourage local community colleges to identify students affected by economic, language, and social disadvantages and encourage their enrollment and achievement of their educational objectives and goals. Existing law also authorizes local community college governing boards to provide services that may include loans or grants for living costs, student fees, and transportation costs and also scholarships, work-experience and job placement programs. (EC § 69640 - § 69656)

Current law requires each California Community College (CCC) district that administers a priority enrollment system for registration to grant priority registration for enrollment to students in the EOPS program and to disabled students, as specified, and repeals these provisions on January 1, 2017. (EC § 66025.91)

ANALYSIS

This bill requires the California State University (CSU) Trustees and the CCC Board of Governors (BOG) to develop and implement a California Promise program at one or more of their respective campuses and to authorize campuses to participate in the program subject to compliance with the bill's provisions. Specifically it:

- 1) Requires authorization of a campus to enter a pledge with a "qualifying student" to support the student in obtaining an associate degree within two academic years and a baccalaureate degree within four academic years, as specified, and outlines the following elements of the program:
 - a) Requires a qualifying student to be a California resident for purposes of in-state tuition eligibility and to complete at least 30 semester units per academic year, including summer term units, as specified.
 - b) Authorizes the participating campus to provide qualifying students with priority registration in coursework and academic advising that includes monitoring the student's academic progress.
 - c) Requires the Trustees and the BOG to develop application criteria, administrative guidelines and additional requirements for purposes of implementing and administering the program and specifically authorizes the inclusion of a requirement that the student maintain a campus determined minimum grade point average.
- 2) Establishes various requirements regarding systemwide fees for California Promise students at the CSU. Specifically it:
 - a) Prohibits a participating CSU student from being charged systemwide tuition in excess of the tuition charged to the student as an entering freshman at the CSU.
 - b) Prohibits a participating transfer student who successfully received an associate degree within two academic years at the CCC from being

charged systemwide tuition in excess of the tuition that would have been charged to the student at the California State University (CSU) at the time the student began the two year associate degree program.

- c) Requires all other participating community college transfer students from being charged systemwide tuition in excess of the tuition charged to the student when admitted to the CSU as a transfer student.
 - d) Declares the Legislature's intent to appropriate money from the General Fund to the Trustees for the purpose of compensating the CSU for the systemwide tuition not charged to these students.
- 3) Requires that the CSU and the California Community College (CCC) waive systemwide tuition or fees for a participating student unable to complete their associate degree or their baccalaureate degree, as applicable, within the required time because courses for the degree program are not offered or are full at the campus, once the course or a substitute course becomes available.
 - 4) Requires that the trustees and board of governors make every effort to close the achievement gap and encourage broad participation that reflects a participating campus' demographics.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, this bill is intended to address the CSU overall four-year graduation rate, which is well below the national rate among similar public institutions. The provisions of the bill are based on existing programs at CSU campuses which the author asserts are effective in improving four-year graduation rates. This bill establishes a program which, in exchange for a promise to complete 30 units per year and maintain a grade point average standard, would provide priority enrollment, enhanced academic advising, and tuition freezes. In addition, this bill would grant tuition waivers if students were unable to complete a degree within the required time frame due to unavailability of courses. The bill would impose these same requirements on the community colleges as well.
- 2) ***Student Success at the Community Colleges.*** Pursuant to Senate Bill 1143 (Liu, Chapter 409, Statutes of 2010), the Board of Governors of the California Community Colleges created the Student Success Task Force (SSTF); 20 individuals (community college chief executive officers, faculty, students, researchers, staff and external stake holders) who spent a year researching, studying and debating the best methods to improve student outcomes at the community colleges.

According to the SSTF report, which was unanimously adopted by the Board of Governors in January 2012, it was their goal to identify best practices for promoting student success and to develop statewide strategies to take these approaches to scale while ensuring that educational opportunity for historically underrepresented students would not just be maintained, but bolstered.

The Student Success Task Force (SSTF) efforts resulted in 22 specific recommendations focused on the following eight areas:

- a) Increasing college and career readiness.
- b) Strengthening support for entering students.
- c) Incentivizing successful student behaviors.
- d) Aligning course offerings to meet student needs.
- e) Improving education of basic skills students.
- f) Revitalizing and re-envisioning professional development.
- g) Enabling efficient statewide leadership and increase coordination among colleges.
- h) Aligning resources with student success recommendations.

Implementation of these recommendations is being accomplished by the Chancellor's Office of the California Community Colleges via the "Student Success Initiative" through regulatory changes, system-wide administrative policies, local best practices and legislation. These implementation efforts include the following:

- a) SB 1456 (Lowenthal, Chapter 624, Statutes of 2013) recast the Seymour-Campbell Matriculation Act of 1986 in order to target funding to services such as orientation, assessment, and counseling and advising to assist students with the development of education plans. It also required that students define goals, required that students declare a course of study and mandated student participation in assessment, orientation and education planning.
- b) At a regulatory level, the Board of Governors approved regulations that provide enrollment priority to students who have participated in assessment, orientation, and who have developed an education plan. In addition, statutory priority enrollment extended to veterans, foster youth, Extended Opportunity Program & Services students, and disabled students requires participation in these Student Success Services and programs. Students are now required to complete core services as well as to declare a course of study. In addition, districts are now required to notify students that accumulating 100 degree applicable units or being on academic or progress probation for two consecutive terms will result in the loss of enrollment priority.
- c) Since 2012, the State has increased ongoing funding for community college student success and support by nearly \$600 Million. These funds have been designated to support the Student Services Support Program (SSSP) established by SB 1456 (Lowenthal) to provide targeted services

such as orientation, assessment, and counseling and advising to assist students with the development of education plans. In addition these funds support the creation of Student Equity Plans to improve access and outcomes for disadvantaged groups, as well as a number of Chancellor's Office Initiatives to provide related support to districts.

In February 2016, this Committee held an informational hearing, *California's Community Colleges: Implementation of Student Success* where the committee received an update on the use of these funds, the progress made in implementing student success strategies both systemwide and at the campus level, and heard preliminary reports on student outcomes.

This bill would layer a new program of priority enrollment and tuition freezes unrelated to the extensive efforts and funding that have been provided to support the 6-year effort to develop and fund statewide strategies to improve completion at the community colleges and incentivize successful student behaviors.

Staff recommends the bill be amended to eliminate the community colleges from the provisions of the bill.

- 3) ***Is there a problem?*** In its March 2016 report on State Performance Measures for the 2014-15 academic year, the California State University (CSU) reports a cumulative four-year graduation rate for all students of 19.1 percent in 2011. According to the 2015-16 Budget Analysis by the Legislative Analyst's Office, CSU graduation rates have been increasing, but while 6-year graduation rates are similar to those of other large public masters institutions, four-year rates are significantly lower, and only 48 percent of first year students are on track to graduate on time.

Aside from benefitting the state through increased access and more efficient movement of students through the CSU system, accelerating degree completion also reduces the overall cost of higher education for students and families. In *The Real Cost of College: Time and Credits to Degree in California*, the Campaign for College Opportunity reports that every additional year of enrollment in college increases the total cost by more than \$26,000 in tuition, fees, books, and living expenses, as well as more than \$22,000 in lost lifetime wages. A CSU student who takes six years to earn a bachelor's degree will spend an additional \$58,000 more on tuition, fees, books and other expenses, and will earn \$52,900 less, over his/her lifetime, than someone who graduated in four years. As a result of these additional two years, this student would incur \$110,900 in extra expenses and lost wages.

- 4) ***Existing CSU goals/strategies.*** In October 2014, the CSU initiated "Graduation Initiative 2025", setting the following completion goals:
- a) Increasing the 6-year graduation rate for first-time freshmen to 60 percent.
 - b) Increasing the four-year graduation rate for first-time freshmen to 24 percent.

- c) Increasing the four-year graduation rate for transfer students to 76 percent.
- d) Increasing the two-year graduation rate for transfer students to 35 percent.
- e) Closing the achievement gap for historically underrepresented students to seven percent and to five percent for low-income students

The strategies employed by the Chancellor's Office and campuses to achieve these goals include the following:

- a) Reducing the number of units required to earn a BA/BS degree (94 percent of BA/BS programs now require only 120 units).
 - b) Expanding high impact practices including undergraduate research, service learning, internships and study abroad.
 - c) Redesigning courses to incorporate technology to improve content retention.
 - d) Expanding the Associate Degree for Transfer program.
 - e) Expanding cohort-based learning communities.
 - f) Expanding Summer Bridge and other transitional programs.
 - g) Expanding the use of electronic academic advising tools to establish clear pathways to degrees and data analysis to improve student outcomes.
 - h) Hiring more tenure track faculty and academic advisors.
 - i) Expanding the number of CourseMatch course offerings to increase degree completion rates (CourseMatch allows access to online courses offered at other California State University (CSU) campuses).
 - j) Building relationships with community and business partners, community colleges and K-12 school districts to ensure students are prepared for college.
- 5) **Existing programs?** According to the CSU, four of its campuses currently have pledge programs (Fresno, San Bernardino, Fullerton and Cal Poly Pomona) that are generally consistent with what is proposed in the bill. While the four-year graduation rates for program participants are much higher than the undergraduate student populations that do not participate in the programs, attrition rates are also high (often times 50 percent or more). The Cal State Fullerton's Finish in Four Scholars Program has had five cohorts of students that graduated with four-year graduation rates that range from 30.4 percent to 45.5 percent. The numbers of students in these programs tend to be small. For example, California State University (CSU) San Bernardino has one of the larger

programs with 620 participants, but that number represents less than 4 percent of the undergraduate student population.

The CSU reports that several campuses have discontinued similar types of programs because of low student participation. The CSU also noted that many students are unable to participate in or continue with these programs because they do not enter the CSU academically prepared, are unable to maintain grade point average requirements, or change their major.

None of the existing programs offer a tuition freeze. Only Cal State San Bernardino waives fees for students who were unable to graduate within four years due to class availability.

- 6) ***Non-need based financial aid.*** This bill imposes tuition freezes for California Promise program participants, as specified. Since the Cal Grant and State University Grants would cover any increase in CSU systemwide fees for a student that meets income and asset requirements, tuition freezes would primarily benefit students ineligible for these tuition aid programs.

Traditionally, this Committee has supported need-based financial aid. Aside from the complexity of administering tuition freezes across multiple program years, this bill could result in subsidizing tuition costs for students regardless of their financial need. Absent funding from other sources, it could result in even greater increases in tuition costs for students with greater financial need who are unable to meet the requirements of the program due to work requirements, academic preparedness issues, or other mitigating circumstances.

Staff recommends the tuition freeze provisions be deleted from the bill.

- 7) ***Unintended consequences?*** This bill was recently amended to require the governing bodies of the two systems to make every effort to close the achievement gap and encourage broad participation in the program that reflects a participating campus' demographics.

According to the CSU, 59 percent of entering freshmen in Fall 2015 needed remediation. Only 50 percent of Hispanic/Latino admits entered academically prepared and 22 percent of these students needed additional preparation in both English and Math. For Black/African American students, only 42 percent were prepared in math and English, while 29 percent required additional preparation in both. For white students, 82 percent of students entered prepared in both subjects and only 5 percent of these students required additional preparation in English and math.

This bill requires a California Promise program student to complete 30 units per academic year and maintain minimum grade point average requirements. In exchange the campus would provide priority registration and enhanced academic advising.

The Committee may wish to consider:

- Could the large population of ethnically diverse students needing remediation successfully participate in such a program?
- Could this bill result in the redirection of advising and support services away from the students who arguably need it most?
- Notwithstanding the intent, could this bill have the unintended effect of exacerbating the achievement gap between academically prepared students and underrepresented students?

- 8) **Backfill?** This bill declares the intent of the Legislature to appropriate monies from the General Fund to compensate for systemwide tuition not charged to students in the program created by the bill's provisions. Current law provides for a number of mandatory fee waivers, including, fee waivers for dependent survivors of law enforcement or fire suppression officers killed in the line of duty, dependents of deceased or disabled veteran, survivors of persons killed in the September 11, 2001 terrorist attacks, and certain non-resident fees are waived for AB 540 students, students who are victims of trafficking, or other serious crimes, and certain veterans. The Legislature does not currently appropriate monies to compensate the California State University (CSU) for the loss of fee revenue from any of these waivers. According to the CSU's most recent report on institutional financial aid awarded (2016), the aggregate cost of these fee waivers was more than \$68 million.

Is backfilling the loss of tuition revenue for the program proposed by this bill a higher priority than backfilling for other tuition waiver programs? Would backfilling for this program create pressure to backfill for revenue loss from other waiver programs? What would be the cumulative fiscal effect?

- 9) **Similar legislation.** This bill is intended to incentivize completion of a degree program within four years. Similar legislation to improve completion has been considered by this Committee, including:

SB 15 (Block), among other things, establishes a Graduation Incentive Grant (GIG) program for CSU undergraduate students to incentivize timely degree completion. The GIG would provide up to \$4,500 in grant award for students who meet annual unit completion requirements and demonstrate financial need, as specified, as they move to complete their degree programs within four years. SB 15 was heard and unanimously passed by this Committee in May 2015, and is currently awaiting action in the Assembly Higher Education Committee.

SB 1417 (Galgiani) requires the CSU, and requests the University of California, to develop and implement a \$2500 loan forgiveness grant for students who are California residents, and for students eligible for resident tuition under the provisions of AB 540, if they complete their degree within four years. SB 1417 was heard and passed in this Committee by a vote of 6-1, and is currently awaiting action in the Senate Appropriations Committee.

SUPPORT

African American Farmers of California
California Citrus Mutual
California Cotton Ginners and Growers Association
California Dairies, Inc.
California Fresh Fruit Association
California Rice Commission
California Tomato Growers Association
Nisei Farmers League
Western Agricultural Processors Association
Western Plant Health Association

OPPOSITION

None received on this version.

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