

Date of Hearing: April 18, 2017

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 1038 (Bonta) – As Amended April 3, 2017

**SUBJECT:** Postsecondary education: higher education policy

**SUMMARY:** Establishes the Blue Ribbon Commission on Public Postsecondary Education. Specifically, **this bill:**

- 1) Makes numerous legislative findings and declarations, including that (a) universal participation in postsecondary education in California is of vital public interest; (b) historically disadvantaged groups remain underrepresented in postsecondary education, (c) California's public four-year universities have become less affordable due to large tuition increases, (d) the Public Policy Institute of California projects that the state will fall short about 1,100,000 college graduates by 2030 if enrollment and graduation rates do not increase, and (e) the absence of a state coordinating body has reduced the state's ability to effectively develop long-term plans for public postsecondary education.
- 2) Creates the nine-member Blue Ribbon Commission on Public Postsecondary Education; and specifies that the purpose of the Commission is to make recommendations on improving access to and affordability in postsecondary education for Californians.
- 3) Stipulates that Commission members shall be California residents and community leaders, business leaders, and others knowledgeable in the area of postsecondary education; shall be representative of cultural, ethnic, racial, and geographic diversity of the state; and, shall be determined as follows:
  - a) Three members from the public appointed by the Governor;
  - b) Three members from the public appointed by the Senate Committee on Rules; and,
  - c) Three members from the public appointed by the Speaker of the Assembly.
- 4) Stipulates that Commission meetings are subject to the Bagley-Keene Open Meeting Act, as specified.
- 5) Stipulates that Commissioners shall serve without compensation, but shall receive reimbursement for actual and necessary expenses incurred in connection with the performance of their duties.
- 6) Prohibits, from serving on the Commission, any employee or contractual employee to any public or private postsecondary educational institution or the spouse or domestic partner of an officer, employee or contractual employee of an institution.
- 7) Creates the Office of the Blue Ribbon Commission on Public Postsecondary Education, stipulating that the Office shall be established in state government, and shall be under the direct control of an executive director; and, specifies that the Office shall do all of the following:

- a) Implement the duties and directives of the Commission;
  - b) Consult with the higher education segments and stakeholders, as appropriate, in the conduct of its duties and responsibilities.
- 8) Specifies that the Office shall:
- a) Conduct a series of at least 10 public hearings specifically focused on the needs of and seeking input from Blacks, Native Americans, Latinos, Asian Americans, Pacific Islanders, boys and men of color, undocumented immigrants, LGBTQ students, and other underserved or underrepresented groups in public postsecondary education. The hearings shall be held in geographically diverse regions of the state to solicit testimony of individuals, public interest groups, alumni organizations, or any other interested private groups and organizations as well as professors, administrators, students, representatives from historically underrepresented groups in public higher education, and others who are directly affected for the purpose of soliciting the input of these groups in the formulations of the commission's recommendations;
  - b) Review of relevant reports by the University of California (UC), the California State University (CSU), the California Community Colleges (CCC) Board of Governors, the California Student Aid Commission (CSAC), the Department of Finance (DOF), the Legislative Analyst's Office, foundations or nonprofit organizations, the California Postsecondary Education Commission (CPEC), or any other reports the commission deems appropriate;
  - c) Study, analyze, issue written recommendations, and report to the Legislature and to the Governor on all of the following:
    - i) Establishing the need to create a public postsecondary education system that ensures universal access with the capacity to support universal participation of all high school graduates in California;
    - ii) Identifying the current enrollment capacity in public postsecondary education as compared to the enrollment capacity needed in public postsecondary education to ensure universal access and accommodate universal participation for all high school graduates in California;
    - iii) Identifying ways the state can meet the goal of graduating an additional 1,100,000 California residents by 2030;
    - iv) Determining the number of additional campuses needed, if any, in each of the public postsecondary education segments to accommodate the additional demands, per i – iii above, inclusive. The commission shall consider geographic areas of the state where a significant demand for public postsecondary educational services is not being met by current campuses and programs;
    - v) Identifying admission criteria, student outreach, student preparation, student retention, and other mechanisms that can promote enrollment reflecting the ethnic diversity of California high schools;

- vi) Addressing issues of systemic inequity, with respect to access to public postsecondary education, for historically disadvantaged and underrepresented groups that include, but are not limited to, communities of color, documented and undocumented immigrants, individuals from low-income and working-class backgrounds, LGBTQ people, and others with unique needs;
  - vii) Determining the amount of increased investments in public postsecondary education necessary to support a mission of universal access for all Californians. The increased investments shall take into account the additional resources needed to support the recommendations pursuant to ii – vi above, inclusive. These recommendations shall identify expenditure requirements to support this objective and recommend additional revenue sources to finance this mission; and
  - viii) The resources required to create an affordable and tuition-free education system in the California public postsecondary environment, with a first priority on supporting those students with the lowest incomes and least financial resources. This task shall include an analysis of not only tuition and fees, but a focus on additional college costs, such as books and supplies, food, housing, transportation, loan fees, child and dependent care, and other costs. The analysis shall incorporate the availability of federal, state, and campus-based financial aid efforts to offset these additional college costs to determine the extra resources needed to support all low-income and underrepresented California resident students.
- d) Publish a report, as specified, by January 1, 2020. The report shall be transmitted to the fiscal and education policy committees of the Legislature, the UC Regents, CSU Trustees, CCC Board of Governors, the Director of Finance, and the Governor. Copies of the report shall be posted on the Governor’s Internet Web site.
- 9) Specifies that the Office shall close no later than June 30, 2020; sunsets the provisions contained therein on January 1, 2021; and, stipulates that upon the repeal of the provisions, all of the documents and working papers of the Commission shall become the property of the State Archives.

**EXISTING LAW:** Establishes the Donahoe Higher Education Act, setting forth the missions and functions of the four segments of California’s postsecondary education system (Education Code Section 66010, et seq.).

**FISCAL EFFECT:** Based on the Assembly Appropriations Committee analysis of an almost identical bill in 2016, one-time General Fund costs in the range of \$1 million over 18 months for staff at the Office and Commission expenses for public meetings throughout the state. Potential additional costs of up to several hundred thousand dollars for UC, CSU, CCC, and CSAC to participate in Commission meetings and respond to data requests from the Office.

**COMMENTS:**

*Background.* AB 770 (Vasconcellos), Chapter 1187, Statutes of 1973, created CPEC and made it responsible for the planning and coordination of postsecondary education. CPEC was charged with providing analysis, advice, and recommendations to the Legislature and the governor on statewide policy and funding priorities. As part of his 2011-12 budget, Governor Brown proposed eliminating CPEC. Both houses rejected this proposal, but the governor exercised his

line item veto to remove all General Fund support for CPEC, describing the commission as “ineffective.” In his veto message, however, the governor acknowledged the need for coordinating and guiding state higher education policy and requested that stakeholders explore alternative ways these functions could be fulfilled.

On November 18, 2011, CPEC closed its office and ceased operations. Its federal Teacher Quality Improvement grant program was transferred to the California Department of Education and its extensive data resources were transferred to the CCC Chancellor's Office.

*Purpose.* According to the author, "The state no longer has a coordinating body to oversee and conduct long term planning for its higher education system. Furthermore, California's Master Plan for Higher Education is no longer a practical roadmap to guide the state's higher education policy. The Master Plan was to take the state from 1960-1975. California's higher education challenges in 1960 are very different from today's."

The author contends that absent such an entity, the state needs to establish a statewide plan for higher education. The author argues that, "The state's approach to higher education must become more accessible, equitable, and affordable."

This measure creates a Blue Ribbon Commission on Public Postsecondary Education and tasks the Commission with making recommendations on improving access and affordability in higher education. Additionally, this measure requires the Commission to garner input from specific stakeholders such as historically underrepresented groups, for their input in the formulation of the Commission's recommendations. Furthermore, this measure specifies that the Commission members will be representative of the state's racial and geographic diversity.

*Comparison with Related Legislation.* AB 217 (Low), pending in Assembly Appropriations, creates the Office of Higher Education Performance and Accountability (OHEPA), within the Governor's office, as the statewide postsecondary education coordination and planning agency. OHEPA would thus be an ongoing entity, performing many of the duties once vested with CPEC, whereas the Commission proposed in this bill would constitute a one-time effort, focused on how the state can achieve certain goals for postsecondary education over the next 12 years.

*Prior Legislation.*

- 1) AB 2434 (Bonta, 2016), which was almost identical to this bill, was held on Suspense in Assembly Appropriations.
- 2) AB 1837 (Low, 2016) which was almost identical to AB 217, was held on Suspense in Senate Appropriations.
- 3) SB 42 (Liu, 2015), which was substantially similar to AB 1837, was vetoed, with the Governor stating, in part, "While there is much work to be done to improve higher education, I am not convinced we need a new office and an advisory board, especially of the kind this bill proposes, to get the job done."
- 4) AB 1348 (John A. Pérez, 2014), which established the California Higher Education Authority, its governing board and its responsibilities, was held on Suspense in Senate Appropriations.

- 5) AB 2190 (John A. Pérez, 2012), which established a new state oversight and coordinating body for higher education, was held on Suspense in Assembly Appropriations.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Alliance for Boys and Men of Color  
American Federation of State, County, and Municipal Employees (AFSCME), AFL-CIO  
Black Parallel School Board  
California Asian & Pacific Islander Budget Partnership  
California Faculty Association  
California Immigrant Policy Center  
California Pan-Ethnic Health Network  
California Teachers Association  
Chinese for Affirmative Action  
Coalition for Humane Immigrant Rights  
Communications Workers of America, District 9 in California  
Empowering Pacific Islander Communities  
Pacific Asian Consortium in Employment  
Service Employees International Union  
Southeast Asia Resource Action Center  
University Professional and Technical Employees-CWA, Local 9119

**Opposition**

None on file.

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