Date of Hearing: August 25, 2014

ASSEMBLY COMMITTEE ON HIGHER EDUCATION Das Williams, Chair

AB 2736 (Committee on Higher Education) - As Amended: June 26, 2014

SUBJECT: Postsecondary education: California State University

<u>SUMMARY</u>: Provides for various changes to statutes governing the California State University (CSU). Specifically, <u>this bill</u>:

- 1) Authorizes the CSU Trustees to establish a fee for voluntary membership in the statewide student organization and require the CSU Trustees to provide students the ability to affirmatively elect to pay the fee, or a clear and unambiguous means to decline payment of the fee, each time the fee is assessed.
- 2) Requires the Legislative Analyst's Office (LAO) to report to the Legislature regarding the CSU Early Start Program by July 1, rather than January 1, of each even-numbered year.
- 3) Provides for technical changes to the CSU Doctor of Nursing Practice (DNP) degree pilot program reporting, and provides for repeal of the reporting requirements on January 1, 2021.
- 4) Extends the date by which CSU Trustees are required to report gifts to the Legislature and the Department of Finance from January 5 to January 31 of each year.

<u>EXISTING LAW</u> establishes the CSU and confers upon the CSU Trustees the powers, duties, and functions with respect to the management, administration, and control of the CSU system.

<u>FISCAL EFFECT</u>: According to the Senate Appropriations Committee, pursuant to rule 28.8, this bill has a negligible fiscal impact.

<u>COMMENTS</u>: This bill provides for four changes to statutes governing CSU:

Student organization fee. Currently, the California State Student Association (CSSA) is dependent on a voluntary portion of membership fees collected by the 23 local student associations, which has been augmented in recent years by an annual allocation of the Chancellor's Office. In March 2014, CSSA requested the establishment of a system-wide voluntary fee to fund their programs and activities. A voluntary student fee would create a long-term, stable revenue stream to fully implement student participation, enable the CSSA to establish a higher degree of financial independence from the CSU system and allow students the individual choice to contribute financially to statewide student representation.

Current law grants the CSU Trustees the authority to establish a voluntary membership at a state university, but there is a need to clarify the Trustees' authority to establish a voluntary fee at the system-wide level, before they can act on the CSSA request. The new fee authorized in this bill would operate differently from the current fee for campus organizations. For the statewide student organization the Trustees would be authorized to fix a voluntary membership fee for the statewide student organization and a student would have the ability to affirmatively elect to pay

the fee, or a clear and unambiguous means to decline payment of the fee, each time the fee is assessed.

Early Start Program. To address concerns regarding the large number of incoming freshmen at the CSU requiring remediation, Executive Order 1048 was issued in 2010, creating the Early Start Program. Entering freshmen not proficient in math or "at risk" in English are required to start the remediation process before their first term at CSU. Students are given a menu of options to determine the best approach to start their remedial instruction, including senior year high school courses, courses offered in the summer at any one of their local California Community College (CCC) or CSU campuses and online courses, to name a few. Legislation enacted in 2012 (AB 2497, Solorio), required the CSU to work with the LAO on an ongoing series of reports showing the impact of CSU's Early Start Program on students needing remediation. Currently, the law requires a report be submitted on January 1, 2014, and then subsequently every two years after that. This bill will move the reporting deadline to July 1, beginning in 2016, to ensure LAO can include information on the most recent program data in the report. It should be noted that in January 2014, the LAO recommended eliminating the remaining Early Start reporting requirements.

<u>Doctor of Nursing Practice</u>. CSU was provided authority to establish a DNP degree pilot program at three campuses in 2010 (AB 867 (Nava), Chapter 416). A report is required in collaboration with LAO and the Department Of Finance, due January 1, 2017. Compromise on the bill came together in the final hours of session and the reporting language was essentially taken from prior legislation dealing with the EdD degree. As a result, some of the language in the DNP report is unrelated to the pilot program. This bill modifies the reporting language to look at the appropriate policy issues for the DNP and establishes a sunset date for the reporting requirements of January 1, 2021.

<u>Trustee Gift Reporting</u>. Currently CSU Trustees are required to report to the Legislature and the Department of Finance annually on January 5. The CSU has been consistently late in reporting this information due to the Trustees approval being required prior to the release of the report. The Trustees meeting schedule does not permit the report to be released by the January 5th deadline. This bill would move the due date for this report to the end of January (25-day difference) to ensure the CSU submits the report on time.

REGISTERED SUPPORT / OPPOSITION:

Support

California State Student Association California State University

Opposition

None on file.

Analysis Prepared by: Laura Metune / HIGHER ED. / (916) 319-3960