

Date of Hearing: January 9, 2024

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 1142 (Mike Fong) – As Amended January 3, 2024

SUBJECT: Postsecondary education: Coordinating Commission for Postsecondary Education in California

SUMMARY: Establishes the Coordinating Commission for Postsecondary Education in California (CCPEC) as the independent statewide postsecondary education oversight, coordination, and planning agency. Specifically, **this bill:**

- 1) Creates the CCPEC Act.
- 2) Specifies that the CCPEC is hereby established as the statewide postsecondary education oversight, coordination, and planning agency. The commission is an independent state agency, which shall be advisory to the Governor, the Legislature, other appropriate government officials, and institutions of postsecondary education.
- 3) Defines “commission” to mean the CCPEC, as specified.
- 4) Specifies the intent of the Legislature that all of the following occur:
 - a) That the commission promotes integration, planning, oversight, and coordination of postsecondary education in the state, whereby each segment of postsecondary education, in accordance with the missions and functions of the segment, contributes toward achieving a common purpose;
 - b) That the commission, as the state’s postsecondary planning and coordinating entity, ensures the effective use of public postsecondary education resources, thereby eliminating unnecessary duplication of these resources, and promotes diversity in postsecondary education, innovation, and responsiveness to student and societal needs;
 - c) That the commission is responsible for coordinating public, independent, and private postsecondary education in this state and for providing independent policy analyses and recommendations to the Legislature and the Governor on postsecondary education issues;
 - d) That the commission works collaboratively with relevant state agencies, including, but not limited to, the California Cradle-to-Career Data System and the Bureau for Private Postsecondary Education, to ensure effective oversight of private for-profit postsecondary educational institutions and student and public protections against fraudulent or substandard postsecondary academic programs or degrees; and,
 - e) That commission members shall broadly and equitably reflect the diversity of the state, including, but not limited to, the geographic, economic, and racial diversity of California.
- 5) Makes various findings and declarations.

EXISTING LAW:

Establishes the California Postsecondary Education Commission (CPEC) composed of 17 members representing the higher education segments, the State Board of Education, and nine representatives appointed by the Governor, Senate Rules Committee, and Assembly Speaker to coordinate public, independent, and private postsecondary education in California (Education Code Section 66900, et seq.).

FISCAL EFFECT: Unknown

COMMENTS: *Purpose.* According to the author, “California’s higher education infrastructure serves our 40 million residents in every conceivable way – from job training, to remediation, to certificate and degree attainment, to research, to cutting-edge advancements in science and technology. Our higher education system is complex, and complex systems require planning, coordination, and partnerships. AB 1142 is the vehicle to help us continue the conversation of what an independent coordinating body should look like.”

Background on CPEC. As specified in the “Existing Law” section of this analysis, CPEC was established to coordinate postsecondary education in California and to provide independent policy analyses and recommendations to the Legislature and the Governor on postsecondary education issues. However, CPEC's budget and responsibilities were reduced over time, casting doubt on its effectiveness and triggering calls for its restructuring. In the 2011-12 Budget Act, Governor Brown vetoed funding for CPEC citing the agency’s ineffectiveness in higher education oversight. In his veto message, the Governor acknowledged the well-established need for coordinating and guiding state higher education policy and requested that stakeholders explore alternative ways these functions could be fulfilled.

In fall 2011 CPEC shut down, transferring its federal Teacher Quality Improvement grant program to the California Department of Education (CDE) and extensive data resources to the California Community Colleges (CCC) Chancellor's Office. Currently no coordinating entity for higher education in California exists.

Post CPEC. Statewide higher education goals and objectives have been considered by the Legislature for over a decade; in recent years, despite the absence of CPEC, some progress has been made on this front. The 2013-14 Budget Act education trailer bill (AB 94, Chapter 50) required University of California (UC) and California State University (CSU) to report annually on specified performance measures, in order to inform budget and policy decisions and promote effective and efficient use of resources. SB 195 (Liu, Chapter 367, Statutes of 2013), established general statewide goals for higher education, and legislative intent to identify specific metrics for measuring progress toward statewide goals.

The 2014-15 Budget Act (SB 852, Chapter 25) required UC and CSU to approve three-year "sustainability plans" that use funding projections to establish projections of enrollment and the university's goals for the performance measures that are required to be adopted pursuant to AB 94; this requirement was continued in the 2015-16 and 2016-17 Budget Acts. The CCCs were required, pursuant to the 2014-15 Budget higher education trailer bill (SB 860, Chapter 34), to adopt goals and targets for student performance by June 30, 2015, and to establish and report on Student Equity Plans designed to ensure equal educational opportunities and to promote student success for all students.

More recently, the UC and CSU entered into multi-year formal Compacts with the Governor's Office, and the CCC and the Governor's Office multi-year roadmap between the Administration and the CCC system outlines mutually prioritized goals, expectations, and accompanying outcome measures. Each of these agreements include reporting requirements and set goals across a variety areas through the 2026-27 fiscal and academic years.

Need for a statewide higher education coordinating body? According to the March 2019 California Competes report, *The Case for a Statewide Higher Education Coordinating Entity*, California is one of two states without a central organizing body to guide the unique challenges the postsecondary institutions of higher education face. The report finds that in the absence of coordination, each of the state's public higher education segments (the CCC, CSU, and UC) function in siloes. Further, the report finds that the lack of a statewide coordinating body for higher education has resulted in no authority for statewide goal-setting, no comprehensive strategic planning, no longitudinal education data system, and inadequate mechanisms to assist students' progress as they matriculate through and between systems. Additionally, the report contends that, without a coordinating entity:

- 1) California will continue to lag in degree production;
- 2) Planning for the future will continue to be clumsy and inadequate;
- 3) Higher education data systems will remain fragmented and incomplete; and,
- 4) Students will continue to slip through the cracks.

Finally, the report finds that California needs an independent, statewide coordinating entity to uphold a public agenda for higher education that links the needs of the state's economy to experiences and outcomes of California's students.

According to the March 2019, Public Policy Institute of California (PPIC) report, *Coordinating California's Higher Education System*, receiving postsecondary education continues to become increasingly important to California's economy and quality of life. The PPIC report suggests that in order to help state leaders determine how to best design a more effective coordinating body (to note, PPIC contends a coordinating body is definitely needed in this state), it is important to understand the struggles CPEC faced. The report finds that effective coordination must reflect the reality of higher education in the state – the governance challenges, campus and segment incentives, and other factors that influence institutional decisions. Further, the report finds that, several factors reduced CPEC's ability to effectively coordinate the state's higher education system, in part:

- 1) A lack of clear state goals for higher education;
- 2) A lack of a clear mission in CPEC's statutory charter; and,
- 3) It was designed for consensus, not leadership.

Further, the report finds that an effective coordinating body needs to be a part of state government, subject to all state rules and procedures regarding transparency and accountability. Finally, the report finds that the best approach to a new higher education coordinating body is to

have such a body that operates independently and advises both the Governor and the Legislature; this would strengthen the Legislature's capacity to address important higher education issues and having an independent entity could provide the Legislature an objective view on current issues and assist in developing solutions to resolving the issues.

Recent efforts. The most recent legislation proposing a coordinating commission was AB 130 (Low, 2019), which was vetoed by Governor Newsom. In his veto message, Governor Newsom wrote that "I have long been concerned that our state's higher education systems operate in silos to the detriment of our state's long-term educational and economic health. California must set statewide goals in the areas of access, affordability and success in higher education. To that end, I launched the Governor's Council for Post-Secondary Education to encourage collaboration between systems and to make recommendations to the administration in an advisory capacity. The Council is charged with examining issues relating to future capacity, enrollment, planning, community college transfers, and general education and coordination at the state and regional levels."

Committee Staff notes that, since Governor Newsom's veto, the Governor's Council for Post-Secondary Education has been rebranded as the Governor's Council for Career Education. This change more closely aligns with the Governor's 2023 Master Plan for Career Education Executive Order, which directed state agencies to align and integrate the implementation of programs supported by billions of dollars in recent state funding to prepare students and workers for high-paying careers. It is unknown if this realignment means that the work of the Governor's Council will instead pivot their work towards the specific objectives raised in the Executive Order or retain elements of its original mission, as detailed above.

Arguments in support. The California Faculty Association wrote in support of AB 1142, noting that "we understand and value the importance of effective oversight and coordinated planning in the educational sector. This bill presents a significant step towards strengthening the efficacy and integrity of postsecondary education in California. It will provide an opportunity to gather and analyze comprehensive data on policy, plans, programs, costs, student selection and retention, enrollments, plant capacities, and other pertinent issues. This will inform strategic planning, policy development, and resource allocation."

Prior legislation. AB 130 (Low) of 2019, established the Higher Education Performance, Accountability and Coordination Commission as the state's independent postsecondary education coordination and agency, was vetoed by Governor Newsom.

SB 3 (Allen) of 2019, established the Office of Higher Education Coordination, Accountability and Performance as California's independent coordination, oversight and planning entity for postsecondary education. It was held on suspense in Assembly Appropriations.

AB 1936 (Low) of 2018, which was held on Suspense in Assembly Appropriations, is similar in nature to AB 130.

AB 217 (Low) of 2017, which was held on Suspense in Assembly Appropriations, was virtually identical to AB 130.

AB 1038 (Bonta) of 2017, which was held on Suspense in Assembly Appropriations, in part, established a Blue Ribbon Commission on Public Postsecondary Education to provide research and recommendations regarding California higher education.

AB 1837 (Low) 2016, which was held on Suspense in Senate Appropriations, was virtually identical to AB 130.

AB 2434 (Bonta) of 2016, which was held on Suspense in Assembly Appropriations, was substantially similar to AB 1038.

SB 42 (Liu) of 2015, which was substantially similar to this measure, was vetoed, with Governor Brown 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."

AB 1348 (John A. Pérez) of 2014, which was held on Suspense in Senate Appropriations, established the California Higher Education Authority, its governing board, and its responsibilities.

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

REGISTERED SUPPORT / OPPOSITION:**Support**

California Faculty Association

Opposition

None on file

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