

Date of Hearing: July 2, 2024

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

SB 1200 (Glazer) – As Amended June 19, 2024

**SENATE VOTE:** 37-0

**SUBJECT:** California State University students: California Promise: Finish in Four and Through in Two.

**SUMMARY:** Renames the California Promise Program (Program) established at the California State University (CSU) as the Finish in Four and Through in Two Program. It further establishes an annual reporting requirement as specified and eliminates the sunset date, thereby extending the Program indefinitely. Specifically, **this bill:**

- 1) Renames the California Promise Program established at the CSU as the Finish in Four and Through in Two Program.
- 2) Requires the CSU Trustees, by July 1, 2025, and annually thereafter, until January 1, 2036, to submit a report to the Legislature that includes all of the following information:
  - a) The program participation rate, as a percentage, and the number of students per campus;
  - b) Program participation demographics, including all of the following:
    - i) Student race and ethnicity;
    - ii) Whether the student is a federal Pell Grant recipient;
    - iii) Whether the student is a first-generation college student;
    - iv) Whether the student entered as a first-time freshman or transfer student; and,
    - v) The amount of graduation initiative funds received and used per campus.
- 3) Eliminates the January 1, 2026, sunset date of the Program, effectively extending the Program indefinitely.
- 4) Requires each campus participating in the Finish in Four and Through in Two Program to take the following actions to promote the program:
  - a) Share information about the program at new student orientation;
  - b) Provide information about the program during the online course registration process;
  - c) Provide information about the program through an annual email to all students;

- d) Post information about the program in an easily identifiable and accessible place on the campus internet website; and,
  - e) Post information about the program at advising offices.
- 5) Makes technical and conforming changes.

**EXISTING LAW:**

- 1) Establishes the Program for the purposes of supporting CSU students in earning a baccalaureate degree within four academic years of the student's first year of enrollment, or for transfer students, within two academic years of the student's first year of enrollment to the campus.
- 2) Requires the Trustees of the CSU to:
  - a) Develop and implement a California Promise Program, beginning the 2017-18 AY, at a minimum of eight campuses for non-transfer students and a minimum of 15 campuses (20 campuses by 2018-19) for qualifying transfer students. These campuses enter into a pledge with a first-time freshman or with a qualifying transfer student to support the student in obtaining a baccalaureate degree within a total of four academic years;
  - b) Submit a report to legislative policy and fiscal committees by January 1, 2021, that includes the number of students participating in the Program in total, the total number of students who graduated in four academic years for students who entered as first-time freshman and two academic years for California Community College transfer students, and a summary description of significant differences in the implementation of the California Promise Program at each campus; and,
  - c) Submit recommendations to the appropriate policy and fiscal committees of the Legislature, by March 15, 2017, regarding potential financial incentives that could benefit students who participate in the Program.
- 3) Requires support provided by a CSU campus for a California Promise Program student to include, but not necessarily be limited to, both of the following:
  - a) Priority registration in coursework provided that a student does not qualify for priority registration under another policy or Program, as specified; and,
  - b) Academic advisement that includes monitoring academic progress.
- 4) Requires a student, in order to qualify for the Program to:
  - a) Be a California resident for purposes of in-state tuition eligibility; and,
  - b) Commit to completing at least 30 semester units or the quarter equivalent per academic year, including summer term units, as specified.

- 5) Requires a campus to guarantee participation in the Program to, at a minimum, any student who is a low-income student, as defined, a student who has graduated from a high school located in a community that is underrepresented in college attendance, a first-generation college student or a transfer student who successfully completes his or her associate degree for transfer at a community college.
- 6) Establishes that, as a condition of continued participation in a California Promise Program, a student may be required to demonstrate both of the following:
  - a) Completion of at least 30 semester units, or the quarter equivalent, in each prior academic year; and,
  - b) Attainment of a grade point average in excess of a standard established by the campus.
- 7) Sunsets the Program on January 1, 2026 (Education Code Section 67430, et seq.).

**FISCAL EFFECT:** According to the Senate Committee on Appropriations:

- 1) The CSU indicates that the bill's reporting requirements will result in additional, but undefined administrative costs to gather the required information for the annual reporting. While the existing program currently requires CSU to solicit, review, admit, and advise participating students while also tracking them within its data system and ensure that they are maintaining eligibility for the program, campuses have had to absorb this workload within existing resources.
- 2) The measure's removal of the sunset date would result in the continued administrative costs necessary to administer the Promise Program at CSU campuses, thereby eliminating the possibility of savings if the program were to expire. The extent of the forgone savings is unknown and would vary by campus.

**COMMENTS:** *California Promise Program.* The Program, which is voluntary or self-selected for eligible CSU students to participate, was enacted in 2016 (by SB 412 Glazer, Chapter 436, Statutes of 2016). The Program initially required eight CSU campuses to offer four-year Promise Programs and 20 CSU campuses to offer two-year Promise Programs.

Currently, 16 of the 23 campuses of the CSU offer first-time freshmen Promise Programs and 22 of the 23 CSU campuses offer two-year Promise Programs for eligible transfer students. Campuses of the CSU who participate in the Program enter into a pledge with a first-time freshman or with a qualifying transfer student to support the student in obtaining a baccalaureate degree within four academic years or within two for transfer students. Students who commit to enter either the four-year or two-year pledge are given priority registration and are provided with routine and thorough academic advisement.

The table below, as referenced in the July 2, 2021, CSU Office of the Chancellor's *California Promise Program* Report (the most recent report of the Program), reflects the total of new students enrolled in the Program by each participating campus, from Fall 2017 through Spring 2021.

**California State University California Promise Program Report**  
Total New Student Enrollments by Campus (Fall 2017 - Spring 2021)

	2017-2018				2018-2019				2019-2020				2020-2021				Grand Total					
	Fall 2017 FTF	UGT	Spring 2018 FTF	UGT	Total	Fall 2018 FTF	UGT	Spring 2019 FTF	UGT	Total	Fall 2019 FTF	UGT	Spring 2020 FTF	UGT	Total	Fall 2020 FTF		UGT	Spring 2021 FTF	UGT	Total	
Bakersfield		8		17	25	238	1		2	241	223	74		2	299		12		2	14	579	
Channel Islands		10		14	24				23	5		88		27	115		96		51	147	314	
Chico				30	30						2	14		5	21	2	21		14	37	88	
Dominguez Hills									119	119						1,698	939			2,637	2,756	
East Bay								29	8	37		60		11	71		61			61	169	
Fresno	6				6	44	24		36	104	71	54		33	158	131	99		20	250	518	
Fullerton	39	65		47	151	17	154		51	222	110	172		110	392	313	282		78	673	1,438	
Humboldt	47	26	2	6	81	49	32		5	86	39	29	1	4	73	56	36			92	332	
Long Beach						466	292			758	787	625			1,412	773	642			1,415	3,585	
Los Angeles																6	20		3	29	29	
Monterey Bay		54		33	87	47	89		38	174	75	97		39	211	52	121		53	226	698	
Northridge		53			53		83		1	84		119			119		87			87	343	
Pomona	9	17			26	17	36			53	216	135			351	304	190			494	924	
Sacramento	2,040	575			2,615	1,707	512		3	100	2,322	2,061	781		113	2,955	1,637	1,164		533	3,334	11,226
San Bernardino	40	45			85	157	49			206	82	57			139	56	66			122	552	
San Diego		93			93	68	162			230	29	104			133	22	101			123	579	
San Francisco		273			273		276		50	326		243		55	298		227		61	288	1,185	
San Jose	883	713			1,596	466	534		33	1,033	316	368		92	776	368	247		2	90	707	4,112
San Luis Obispo							1			1		5			5		5			5	11	
San Marcos		8			8		12			12		96			96		100			100	216	
Sonoma		10			10		10		7	17	6	18			24	5	14		24	43	94	
Stanislaus							25		51	76		147		62	209				89	89	374	
Systemwide	3,064	1,950	2	147	5,163	3,276	2,463	3	387	6,129	4,017	3,286	1	553	7,857	5,423	4,530	2	1,018	10,973	30,122	

The table above describes new First-time Freshman (FTF) and Undergraduate Transfer (UGT) enrollments. The table only includes students that are:  
 -California residents for fee purposes  
 -Not enrolled through International Programs for their inaugural term  
 -Participating in the California Promise Program during a valid term

Additionally, the table below, from the CSU Chancellor's Office, reflects the total of new students enrolled in the Program as of Fall 2023 (the most recent data available):

**California State University California Promise Program**  
Total New Student Enrollments by Campus, Fall 2023

	FTF	UGT	Grand Total
Bakersfield	40	23	63
Channel Islands	73	85	158
Chico	3	27	30
East Bay	43	18	61
Fresno	90	110	200
Fullerton	86	238	324
Humboldt	42	25	67
Long Beach	524	852	1,376
Los Angeles	76	23	99
Monterey Bay	57	104	161
Northridge		79	79
Pomona	280	207	487
Sacramento	116	34	150
San Bernardino	72	29	101
San Diego	68	63	131
San Francisco		80	80
San Jose	603	334	937
San Luis Obispo		1	1
San Marcos		30	30
Stanislaus		23	23
Systemwide	2,173	2,385	4,558

The table above describes new First-time Freshmen (FTF) and Undergraduate Transfer (UGT) enrollments. The table only includes students that are:  
 - California Residents for fee purposes  
 -Not enrolled through International Programs for their inaugural term

*Graduation Initiative 2025.* In 2015, CSU launched Graduation Initiative 2025 (GI 2025), its ambitious plan to increase graduation rates, eliminate equity gaps in degree completion and meet California’s workforce needs.

According to the CSU Chancellor’s Office, the CSU continues to experience a record-breaking rise in graduation rates systemwide, yet equity gaps are growing. The first-year class that entered in Fall 2019 represents the cohort of students in which 6-year graduation rates and equity gaps will be measured in 2025. The COVID-19 pandemic and the disparate impacts across communities of color and low-income families have created a renewed urgency to close the gaps that exists between underserved and vulnerable students and their peers. Not since GI 2025 launched almost a decade ago, has the need to marshal the CSU’s collective resources been more critical to address differential patterns of student success.

Committee Staff understands that graduation rates at the CSU are at record highs, due largely in part to Graduation Initiative 2025’s emphasis on equity. The Initiative is the CSU’s determined effort to ensure that all students regardless of racial, ethnic, or financial background have an equal opportunity to earn a college degree.

The chart below, from the Office of the CSU Chancellor, reflects the graduation completion rates from Fall 2015 (the year GI 2025 began), Fall 2023 (most recent data available), and ultimate graduation completion rate goals for Fall 2025 (the year GI 2025 is due to sunset).

<b>Student Group</b>	<b>2015</b>	<b>2023</b>	<b>2025 Goal</b>
4-Year First-Time	19%	35%	40%
6-Year First-Time	57%	62%	70%
2-Year Transfer	31%	41%	45%
4-Year Transfer	73%	79%	85%

*Purpose of the measure.* According to the author, “today, the CSU awards nearly half of California’s bachelor’s degrees and more than half of the CSU students are students of color. While system-wide graduation rates have steadily improved over the past five years, more must be done to increase rates of California students receiving their bachelor’s degrees within four years of cumulative study.”

The author contends that, “the system continues to struggle with graduation gaps for underrepresented students, and the system’s graduation rates still lag behind those of similar universities nationwide.”

Further, the author states that, “this bill will ensure the vital supports of the California Promise Program continue for future cohorts of CSU students and indefinitely extends the program’s goals of eliminating longstanding opportunity and achievement gaps between low-income or first-generation students and their peers. Improving education outcomes for young adults in California is essential to generate upward economic mobility and ensure a prosperous state.”

*Committee comments and amendments.* According to the July 2, 2021, CSU Office of the Chancellor’s *California Promise Program* Report as referenced above, the CSU offers multiple programs and initiatives to support student success as part of GI 2025. The California Promise Program is one of those initiatives in which students volunteer to participate. Because students self-select into the Program, it is possible that factors that make students more likely to

participate in the program may be responsible for some portion of the improvement in graduation rates. Additionally, students participating in the Program may also benefit from other programs under GI 2025. For example, students on the Associate Degree for Transfer (ADT) pathway can receive priority registration and/or advising services, which makes it difficult to attribute successful outcomes to any one program or service.

This measure, in part, seeks to remove the sunset of the Program, thereby extending the Program indefinitely. Existing data reflecting increased graduation levels at the CSU cannot solely be attributed to the Program.

*The Committee may wish to examine whether or not it is premature to remove the sunset of the Program.*

Additionally, this measure, in part, requires the CSU Trustees, by July 1, 2025, and annually thereafter, until January 1, 2036, to submit a report to the Legislature that includes, in part, all of the following:

- 1) Program participation demographics, including all of the following:
  - a) Student race and ethnicity;
  - b) Whether the student is a federal Pell Grant recipient;
  - c) Whether the student is a first-generation college student;
  - d) Whether the student entered as a first-time freshman or transfer student; and,
  - e) The amount of graduation initiative funds received and used per campus.

*Reporting on the Program for a decade appears to be a relatively long duration for an annual report.*

Further, this measure requires the CSU Trustees to annually report on whether the student is a federal Pell Grant recipient. However, the Pell Grant is federal financial aid and the federal academic year (AY) ends yearly on September 30. For example, the end of the AY 2023-24 does not close until September 30, 2024; even though the next AY has begun at the CSU. Campuses have until the close of the federal AY to reconcile and report data to the federal government. Because of the time table, Committee Staff understands that the CSU would not be able to have a full picture of student level Pell Grant data to the state, by the annual date required in this measure to report on the Program.

Lastly, this measure requires the CSU Trustees to annually report on the amount of GI 2025 funds received and used per campus. However, GI 2025 and funding will sunset in 2025. Committee Staff understands that the intent of the author is to ensure funds being spent on the Program are reported on to allow for continued transparency.

*With the aforementioned in mind, Committee Staff recommends, and the author has accepted all of the following amendments:*

## Section 67434

(3) This subdivision shall become inoperative on January 1, ~~2036~~ 2034 (reduces the annual reporting from 10 years to eight years).

(k)(B)(ii) Whether the student is a federal Pell Grant recipient to *instead* read: **As available, whether the student is a federal Pell Grant recipient.**

(k)(1)(C) ~~The amount of graduation initiative funds received and used per campus.~~ **The amount of student success funds received and used per campus.**

*Arguments in support.* According to the California Chamber of Commerce, “SB 1200 would require the Trustees of the California State University, on or before July 1, 2025, and annually thereafter, to submit a report to the Legislature that includes critical information regarding participants of the Finish in Four and Through in Two (renaming the “California Promise” program). This data will help policymakers continue to improve the pathway for California’s students to transition from community colleges to four-year institutions, and onward into the well-paying jobs that California’s economy desperately needs to fill for our continuing growth.”

*Prior legislation.* SB 856 (Glazer) of the 2023-24 Legislative Session, which was held in the Assembly Committee on Appropriations, is similar to this measure, and would have renamed the California Promise Program at CSU as the “Finish in Four and Through in Two” Program. Unlike this measure, it would have required: (1) all incoming first-time students into the program, with the option for students to opt out; (2) at least 5% of each incoming class of first-time freshman students and qualifying transfer students to participate in the program at each campus of the CSU that offers the program; and, (3) at least 70% of program participants to be either low-income students, first-generation students, or students from underrepresented communities within postsecondary education.

SB 785 (Glazer) of the 2021-22 Legislative Session, which is similar to this measure, would have required at least 5% of each incoming class at each participating CSU campus to participate in the California Promise program, and that at least 70% of those participating undergraduate students be either low-income students, first-generation, or students from communities that are underrepresented in postsecondary education. SB 785 did not automatically enroll students in the program. SB 785 was vetoed by Governor Newsom whose message, in part, stated the following:

“The author’s efforts to increase CSU graduation rates and close equity gaps are laudable. I too share these goals, which is why my Administration, and the CSU entered a five-year Compact aimed at increase student achievement, advancing equity, increasing affordability and meeting the State’s workforce needs. However, I am concerned that this bill is overly prescriptive and could result in diverting resources away from other student programs that may be more effective in realizing the goals of the Compact.”

SB 1211 (Glazer) of 2020, which was not heard in the Senate Committee on Education Committee due to the shortened 2020 Legislative Calendar, was similar in nature to this measure.

SB 148 (Glazer) of 2019, which was held on the Suspense File by the Assembly Committee on Appropriations, would have established the Student Success and On-time Completion Fund in the State Treasury, and authorized the Trustees of the CSU to use money in the fund to incentivize participation in a California Promise Program through the offering of grants or tuition

freeze, as specified. SB 148 also required CSU to waive systemwide tuition or fees for a participating student unable to complete their degree due to limited space or no course offerings, as specified.

SB 346 (Glazer) of 2018, which failed passage on the Assembly Floor, was virtually identical to SB 148 in its final form.

SB 803 (Glazer) of 2017, which was held on the Suspense File by the Senate Committee on Appropriations, was nearly identical to SB 346 (as described above).

SB 412 (Glazer), Chapter 436, Statutes of 2016, required the CSU Board of Trustees to develop and implement a program, known as the California Program, that authorizes a campus to enter into a pledge with qualifying students, as defined, to support completion of a baccalaureate degree within four years or for transfer students within two years, and outlines the requirements which may be included in such a program. SB 412 also required the Board of Trustees to submit recommendations regarding potential financial incentives that could benefit students who participate in the program.

SB 1450 (Glazer) of 2016, Both SB 1450 and SB 412 (as described above) required the CSU to develop and implement a program that authorizes a campus to enter into a pledge with qualifying students to support completion of a baccalaureate degree within four years and offer incentives to students in exchange for participation in the program. Unlike, SB 412 and similar to this measure, SB 1450 established various requirements regarding systemwide fees for California Promise students at CSU, including freezing tuition and granting tuition waivers if students were unable to complete a degree within the required timeframe due to unavailability of courses. SB 1450 also imposed these same requirements on the California Community Colleges (CCC) and required the CCC Board of Governors to establish the Promise Program as well. The CCC was removed from the scope of the bill and instead required CSU to ensure entry into a Promise Program for any CCC student who transfers with an Associate Degree for Transfer. SB 1450 failed to secure passage out of the Senate Committee on Education on April 20, 2016, by a vote of 4-2.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Chamber of Commerce

##### **Opposition**

None on file.

**Analysis Prepared by:** Jeanice Warden / HIGHER ED. / (916) 319-3960