

Date of Hearing: April 8, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION  
Mike Fong, Chair  
AB 1035 (Mark González) – As Introduced February 20, 2025

**SUBJECT:** Community colleges: California College Promise: fee waiver eligibility

**SUMMARY:** Authorizes the expansion of the community college enrollment fee waiver that students are eligible for under the California College Promise by an additional two years of full-time attendance for a student enrolled in a community college baccalaureate degree program for a total of four years of eligibility. Specifically, **this bill:**

- 1) Authorizes eligibility for the California Promise Program to a first-time community college student or a returning community college student who is enrolled full-time and who matriculates into upper division coursework of a community college baccalaureate degree program to receive a fee waiver for any fees and for an additional two academic years.
- 2) Finds and declares that:
  - a) As of 2023, California ranks in the top one-third of states in the nation for average student loan debt held by borrowers at \$37,400;
  - b) According to data from the Integrated Public Use Microdata Series, by 2019, less than 15 percent of Latinx Californians and less than 30 percent of Black Californians had attained a baccalaureate degree, while more than 40 percent of White Californians had attained a baccalaureate degree;
  - c) According to data from the California Community Colleges (CCC), the California College Promise provides free tuition to approximately 1,000,000 community college students; nearly one-half of the 2,100,000 students enrolled at the CCC
  - d) In the 2022–23 academic year, 60 percent of all undergraduate students enrolled at the California State University (CSU), and 55 percent of all undergraduate students enrolled at the University of California (UC), had their full cost of tuition covered by grants, scholarships, or waivers;
  - e) The CCCs currently offer 39 baccalaureate degree programs in an effort to make earning a four-year degree more attainable for all Californians; and,
  - f) The Public Policy Institute of California has identified the need for more than 1,000,000 additional baccalaureate degree holders in California by 2030.

**EXISTING LAW:**

- 1) Establishes a \$46 per unit fee for students at the CCC. (Education Code (EDC) Section 76300)

- 2) Provides for a waiver of fees for certain types of students, including those who meet minimum academic and progress standards adopted by the CCC Board of Governors (BOG) and have household incomes below certain thresholds established by the BOG or have demonstrated financial need pursuant to federal law. (EDC Section 76300)
- 3) Establishes the Community Colleges Student Success Completion Grant (SSCG), which supplements the Cal Grant B access award by up to \$1,298 annually for a student enrolled in 12, 13 or 14 units per semester and up to \$4,000 annually for a student taking 15 or more units per semester. (EDC Section 88931)
- 4) Establishes the California College Promise, under the administration of the Chancellor of the CCC, to provide funding, upon appropriation by the Legislature, to each community college meeting prescribed requirements. Additionally, existing law:
  - a) Authorizes a community college to use that funding to waive some or all of the fees for two academic years for first-time community college students and returning community college students, as defined, who are enrolled in 12 or more semester units or the equivalent, or less for students certified as “full time,” as specified, and who complete and submit either a Free Application for Federal Student Aid (FAFSA) or a California Dream Act (CADA) application, except as provided;
  - b) Requires the chancellor to establish a funding formula that advances the goals of the program; and,
  - c) Requires the funding formula to include, for funding appropriated for the program in excess of the funding needed to waive all student fees, the number of full-time equivalent students at a community college and the number of students at a community college who satisfy the requirements to receive federal Pell Grants and the requirements to receive a specified exemption from paying nonresident tuition. (EDC Sections 76396-76396.4)
- 5) Authorizes the BOG of the CCC to establish permanent district baccalaureate degree programs, and provided that only 15 baccalaureate degree programs are approved during each application period allowing for a total of 30 baccalaureate degree programs per academic year. Additionally, existing law:
  - a) Requires the Chancellor of the CCC to consult with and seek feedback from the Chancellor of the CSU, the President of the UC, and the President of the Association of Independent California Colleges and Universities (AICCU) on proposed baccalaureate degree programs, as specified, and establishes a mechanism for the assessment, consultation, and approval of programs where duplication is identified, as specified;
  - b) Requires a community college districts (CCD) to continue to offer an associate degree program in the same academic subject for which a baccalaureate degree program has been approved, unless the CCD has received approval from the chancellor to eliminate the associate degree program, as specified; and,
  - c) Specifies that the total number of baccalaureate degree programs offered by a CCD, at any time, does not exceed 25 percent of the total number of associate degree programs

offered by the CCD, including associate degrees for transfer. (EDC Section 78040 et seq.)

**FISCAL EFFECT:** Unknown.

**COMMENTS:** *Purpose.* According to the author, “existing law establishes the California College Promise program, which provides tuition-free education at a CCC for up to two academic years for all full-time students. The Promise program provides students an opportunity to obtain an associate’s degree.”

Additionally, the author stated that “Current law does not provide tuition assistance for students pursuing a bachelor’s degree at a community college. It is vital to continue financially supporting low-income students throughout their journey in pursuing a college degree. This bill will offer a pathway to debt-free college by providing an additional two-years of tuition free college specifically for students pursuing a bachelor’s degree at a community college... providing an additional two years of tuition-free education following the completion of their associate’s degree will continue to remove financial barriers for many low-income students who want to pursue a bachelor’s degree.

*Community college fee waiver programs.* The BOG fee waiver has existed since the inception of CCC enrollment fees, and waives the per unit enrollment fee (currently \$46 per unit) for any CCC student who demonstrates financial need. The BOG fee waiver has been renamed as the California College Promise Grant (not to be confused with the separate California College Promise program). AB 19 (Santiago, Chapter 735, Statutes of 2017) established a new program, the California College Promise program, which authorizes but does not require CCCs to waive fees for first-time, full-time students without financial need for their first two years of college. To be eligible for these waivers, students must have no prior postsecondary coursework, enroll in 12 or more units per semester, and submit a FAFSA or a California Dream Act application. This bill expands the California College Promise program to include a third and fourth year for students participating in CCCs offered by a CCC campus.

*Baccalaureate Degrees.* SB 850 (Block), Chapter 747, Statutes of 2014, authorized the CCC BOG, in consultation with the CSU and the UC, to establish a baccalaureate degree pilot program. The pilot program allowed up to 15 participating CCDs to offer one baccalaureate degree program each to meet local workforce needs as long as it was not duplicating a baccalaureate degree program already offered by the CSU or the UC. The Legislative Analyst's Office (LAO) conducted interim and final evaluations of the pilot program. This pilot program was expanded and authorized indefinitely by AB 927 (Medina), Chapter 565, Statutes of 2021, and since then the CCC has approved a total of 47 programs across 38 colleges.

*Financial Aid.* Eligible students can receive a Cal Grant award or Middle Class Scholarship to cover supplemental baccalaureate program fees. The Cal Grant program, the state’s largest financial aid program, is intended to help students with financial need cover college tuition and, in some cases, other college costs. The Middle Class Scholarship provides undergraduate students with a scholarship to account for cost of attendance to attend a UC, CSU, or community college baccalaureate degree program. Students with a family income and assets up to \$226,000 may be eligible.

*Non-need based financial aid.* While the Legislature has crossed this bridge by establishing a non-need based financial aid program through AB 19 (Santiago, Chapter 735, 2017) and AB 74 (Ting, Chapter 23, 2019), the following policy questions remain:

- 1) Should financial aid be allocated specifically to students with high levels of financial need rather than as an entitlement to all students?
- 2) Does the requirement for a student to be enrolled full-time to be eligible for the California College Promise fee waiver disadvantage students who cannot afford to fully cover access costs such as textbooks, transportation, food, and housing and therefore need to work more hours at the expense taking a full load of courses?
- 3) Does providing financial aid to non-needy students come at the expense of expanding financial aid for needy students, such as the Cal Grant program, to include aid for the total cost of attendance?

*Arguments in support.* A coalition that includes five community college districts and the California Community College Baccalaureate Degree Association wrote that, “while community college baccalaureate degrees are less expensive than that of the [California State University] or [University of California], cost continues to remain a barrier as students continue to have costs associated with living expenses, textbooks, and tools for these courses. The annual State of Higher Education report from Gallup and the Lumina Foundation found that 85% of prospective students reported significant or moderate barriers to enrollment relating to the costs of degrees and certifications. Given the current trends in the labor market, California’s future economy is unable to meet the demand for individuals with an advanced education. We must recognize that an educated workforce is one of the greatest contributing factors towards a healthy population and a vibrant economy.”

“Student loan debt in the United States has grown enormously in recent years and is now one of the largest forms of consumer borrowing in the country. AB 1035 provides a pathway to achieving a debt-free college degree by eliminating enrollment fees while encouraging students to attend full-time. The state’s investment in our community college system is ultimately an investment in our economic growth.

*Prior legislation.* AB 2093 (Santiago), of 2024, was substantively similar to AB 1035 (Gonzalez). AB 2093 (Santiago) was vetoed by the Governor, who wrote in part that:

“This bill extends the California College Promise program's potential term of eligibility by an additional two academic years for first-time community college students and returning community college students who matriculate into upper division coursework of a community college baccalaureate degree program. I admire the author's commitment to college affordability. Unfortunately, this bill could create significant ongoing and increasing General Fund cost pressures and was not included in the 2024 Budget Act. Further, community college students pursuing baccalaureate degrees may receive a California College Promise Grant, a Cal Grant, or a Middle Class Scholarship award if they meet eligibility requirements.”

“In partnership with the Legislature this year, my Administration has enacted a balanced budget that avoids deep program cuts to vital services and protected investments in education, health care, climate, public safety, housing, and social service programs that millions of Californians

rely on. It is important to remain disciplined when considering bills with significant fiscal implications that are not included in the budget, such as this measure.”

AB 927 (Medina and Choi), Chapter 565, Statutes of 2021, removed the cap on the total number of baccalaureate degree programs allowed within the CCC system and eliminates the January 1, 2027, sunset date of the statewide baccalaureate degree pilot program, thereby permanently authorizing the offering of baccalaureate degree programs at CCCs.

AB 74 (Ting) Chapter 23, 2019, added a second academic year to the California College Promise.

AB 19 (Santiago) Chapter 735, 2017 established, under the administration of the CCC Chancellor, the California College Promise.

SB 850 (Block), Chapter 747, Statutes of 2014, authorized the CCC BOG, in consultation with the CSU and the UC, to establish a baccalaureate degree pilot program. The pilot program allows up to 15 participating community college districts to offer one baccalaureate degree program each to meet local workforce needs as long as it does not duplicate a baccalaureate degree program already offered by the CSU or the UC.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Antelope Valley Community College District  
California Community College Baccalaureate Association  
Faculty Association of California Community Colleges  
Foothill-de Anza Community College District  
Kern Community College District  
Los Angeles Pierce College  
Mt. San Antonio College  
North Orange County Community College District  
San Bernardino Community College District  
San Diego Community College District  
San Jose-evergreen Community College District  
Santiago Canyon College, Orange, CA

### **Opposition**

None on file.

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