

Date of Hearing: April 8, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Mike Fong, Chair
AB 1433 (Sharp-Collins) – As Introduced February 21, 2025

[Note: This bill is double-referred to the Assembly Committee on Military and Veterans Affairs and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: Education finance: funding: noncredit instruction

SUMMARY: Require the California Community College (CCC) Board of Governors (BOG) to allocate base funding for designated categorical programs to noncredit colleges, as defined, and noncredit centers, as defined, that meet specified conditions. Further specifies that the categorical programs eligible for those base funding allocations include, but are not limited to, disabled student programs and services, mental health services, and veteran resource centers. Specifically, **this bill:**

- 1) Makes the following definitions:
 - a) “Noncredit center” means an educational center established and administered by a community college district (CCD) that only provides noncredit instruction, classes, courses, and programs under, as specified.
 - b) “Noncredit college” means an independently accredited institution in a CCD that only provides noncredit instruction, classes, courses, and programs, as specified.
- 2) Requires the CCC BOG allocate to base funding for designated categorical programs to a noncredit college when the noncredit college meets both of the following conditions:
 - a) Has a president or equivalent executive administrator reporting to a CCD chancellor, superintendent, or president, as applicable, with independent responsibility for the comprehensive operations of the CCD’s noncredit programs;
 - b) Provides basic needs programs, disabled students programs and services, or mental health programs with designated coordinators, directors, or deans;
- 3) The board of governors shall allocate base funding for designated categorical programs to a noncredit center when the noncredit center meets all of the following conditions:
 - i) The conditions described in a) and b) of 2) above.
 - ii) The governing board of the CCD plans to continue operating the noncredit center for at least 10 years after receiving funding under this section.
 - iii) The CCC BOG approves the noncredit center to receive funding pursuant to this article.

- 4) The categorical programs eligible for an allocation of base funding under this section will include, but are not limited to, all of the following:
 - a) Basic needs;
 - b) Disabled students programs and services;
 - c) Mental health services;
 - d) The Student Equity and Achievement Program, as specified; and,
 - e) Veteran resource centers, as specified.
- 5) Requires the CCC BOG, in consultation with the CCC Chancellor's Office (CCCCO), to determine the methodology for allocating base funding, as specified.

EXISTING LAW:

- 1) Establishes the CCC under the administration of the BOG of the CCC (Education Code (EDC) Section 71000, et seq.).
- 2) Establishes CCDs throughout the state, and authorizes these districts to provide instruction at the community college campuses they operate and maintain. (EDC Section 7200, et seq.).
- 3) Provides for a formula for the calculation of general purpose apportionments of state funds to community colleges, as well as:
 - a) Provides a separate formula for the allocation of apportionments of state funds to community colleges, which uses the numbers of full-time equivalent students as its basis, for use for apportionments for noncredit instruction and instruction in career development and college preparation; and,
 - b) Specifies the noncredit courses, noncredit classes, and support services that are eligible for state apportionment. (EDC Section 87540.4. et seq.)

FISCAL EFFECT: Unknown.

COMMENTS: *Purpose.* According to the author, “noncredit centers and colleges play a vital role in workforce development, adult education, and skill-based training, yet they continue to be overlooked when it comes to funding for essential student services. Despite their impact, noncredit centers and colleges do not have access to the same funding streams as traditional community colleges, leaving thousands of students without the support they need to succeed. These programs serve some of our most vulnerable populations—veterans, disabled students, job seekers, and English learners—who rely on them to gain the skills needed for employment and economic mobility. This bill ensures that noncredit students receive equitable access to counseling, tutoring, mental health resources, and other critical services. By investing in noncredit centers, we are strengthening our workforce, expanding educational opportunities, and making California’s higher education system more inclusive for all learners.”

Standalone Noncredit Colleges and Centers. The CCC system is one of California’s three public higher education segments. The system consists of 115 colleges operated by 72 locally governed districts located throughout the state, plus one statewide online community college administered by the Board of Governors. The colleges offer a breadth of academic programs, including lower-division transferable coursework, career technical education, precollegiate basic skills instruction, and baccalaureate degrees in certain occupational fields.

AB 1433 (Sharp-Collins) would provide a definition of noncredit colleges and noncredit centers and make these institutions eligible for categorical funding. While they do not officially qualify as colleges, San Diego Continuing Education, North Orange Continuing Education, and Mt. San Antonio College (Mt. SAC) School of Continuing Education exclusively provide noncredit courses and are often labeled as “standalone noncredit centers.”

The EDC or Title 5 regulations do not provide an official definition of standalone noncredit centers, which has led to some confusion in terms of the categorical and grant funding these centers are eligible to receive, which AB 1433 (Sharp-Collins) seeks to address. For example, for the 2024-25 fiscal year, San Diego Continuing Education received an allocation under the A2Mend Program, CalWORKS, and Strong Workforce Program, but no categorical funds. Neither North Orange Continuing Education nor Mt. SAC School of Continuing Education received categorical funds.

As noncredit institutions, San Diego, North Orange, and Mt. SAC Continuing Education provide students with tuition-free education and robust student support to underrepresented adult learners through short-term, competency-based coursework aimed at preparing students for employment, career ladders, higher education, and lifelong learning. To further clarify its contributions to student economic and career outcomes, the San Diego Community College District updated the name of San Diego Continuing Education to include the word “college” in 2021, yet this did not result in any structural changes to its underlying role. All three institutions are accredited by the Western Association of Schools and Colleges (WASC).

For the 2023-24 academic year, San Diego College of Continuing Education enrolled 24,557 students (9,942 noncredit FTES), while North Orange Continuing Education enrolled 16,964 students (3,996 noncredit FTES). Student enrollment and FTES are unknown for Mt. SAC Continuing Education, because they combine their student headcount with their parent college (Mt. SAC College).

For purposes of the Student Centered Funding Formula (SCFF) and select categorical programs, San Diego and North Orange Continuing Education report their FTES to a parent college (Miramar College for San Diego and Fullerton College for North Orange), but are largely ineligible to receive base allocations for categorical programs. This is due to how the funding formulas for the categorical programs are currently structured.

History of Noncredit Colleges: San Diego College of Continuing Education, North Orange Continuing Education, and Mt. San Jacinto School of Continuing Education all began as noncredit programs focused on serving adult students. Below is a brief history of each noncredit college:

- 1) San Diego Continuing Education’s began in 1914. Classes were initially offered in the High School during the evening, and at other selected elementary school campuses in the

downtown area. Although the classes were for adults, they were attached to San Diego High School and elementary schools, as part of the San Diego Unified School District. In 1969 an ad-hoc committee reporting to the San Diego County Board of Education suggested the establishment and creation of a separate Junior College District in San Diego. Following the Boards' approvals, effective July 1, 1970, the San Diego Community College District was formed. The District included an adult education division (the current San Diego Continuing Education). In November 1972, San Diego voters approved a separate governing Board for SDCCD and a Chancellor was selected.

- 2) North Orange Continuing Education: The North Orange County Community College District's (NOCCCD) history began with the creation of Fullerton Junior College in 1913. The transition from Fullerton Junior College District to NOCCCD began in 1964 when the residents of three school districts (Anaheim Union High School District, Brea-Olinda Unified School District, and Placentia Unified School District) elected to form an interim junior college district to be merged with the existing Fullerton Junior College District. The increased service area justified the development of two additional sites, one in Cypress and the other in Yorba Linda. Cypress College welcomed its first students in 1966. The second campus opened in fall 1982.

Whereas Fullerton College and Cypress College focus on the traditional two-year education for students seeking an associate's degree and/or transfer to a four-year university, the four-building complex of the Yorba Linda campus was established to provide noncredit educational opportunities to the adult student population. In addition to the Yorba Linda site, branches of the Adult and Continuing Education Center were opened in Anaheim in March 1982 and in Fullerton in January 1984. The Adult and Continuing Education Center changed its official name to the School of Continuing Education in 1998 and North Orange Continuing Education in 2017.

- 3) Mt. San Jacinto School of Continuing Education: The Mt. San Jacinto Community College District is a single-college district that was formed in 1960. It has since grown into a comprehensive college campus, including a noncredit division that was established in 1971.

Programs impacted. AB 1433 (Sharp-Collins) specifies that some of the categorical programs eligible to receive funding would include basic needs, disabled students programs and services (DSPS), Mental health services, the Student Equity and Achievement Program (SEAP), as specified; and veteran resource centers.

Basic Needs Centers. CCC campuses are required to establish or expand a Basic Needs Center and designate at least one staff person as the Basic Needs Coordinator to provide holistic, comprehensive basic needs services and resources to students to support their successful matriculation through the CCC and beyond. The Basic Needs Center is intended to be a one-stop, single location and point of contact for students to more easily access and gain awareness of basic needs services and resources. The 2024-25 State Budget provided \$43.29 million for Basic Needs Centers. The CCCCO provided each college with a \$130,000 base allocation.

DSPS. Existing law states the Legislature's intent to provide postsecondary education segments with funds for disabled programs and services. This allocation forms the basis of the DSPS categorical program, which is intended to provide funding for academic adjustments, auxiliary

aids, services and/or instruction to support students with disabilities, including deaf and hard of hearing students and access to print and electronic information funding and resources. The 2024-25 State Budget provided \$174.67 million for DSPS, a \$1.85 million increase from the prior year due to a 1.07% COLA. The CCCCO provided each college with a \$200,000 base allocation.

Mental Health Program: The 2021 State Budget Act established the mental health program to provide students with access to mental health support services. The CCCCO has defined “mental health support services” to include the following specified activities, among others:

- 1) Engaging in student-centered design to establish and strengthen structures to enable and streamline the delivery of holistic support for students across the continuum, including mental health promotion, prevention, crisis/acute treatment, post-acute care and recovery.
- 2) Hiring permanent staff to expand mental health resources ensures that students receive timely, continuous care, fostering their overall well-being and academic achievement.
- 3) Providing campus-based training to faculty, staff and students regarding early identification, intervention and referral of students with mental health needs.

The 2024-25 State Budget provided \$32.47 million for the mental health program. The CCCCO provided each college with a \$100,000 base allocation.

Student Equity and Achievement Program (SEAP): The SEAP was established to boost achievement for all students with an emphasis on eliminating achievement gaps for students from traditionally underrepresented groups. SEA funds are intended to support all of the following:

- 1) Implementing activities and practices pursuant to the California Community Colleges Guided Pathways Grant Program.
- 2) Ensuring students complete their educational goals and a defined course of study.
- 3) Providing quality curriculum, instruction and support services to students who enter college deficient in English and mathematics to ensure these students complete a course of study in a timely manner.

SEAP funds were allocated based on the total amount allocated to colleges in 2017-18 for the Student Success and Support Program (SSSP), Student Equity Plans, and the Student Success for Basic Skills program. Appropriations above the 2017-18 level were allocated to districts, (not colleges) proportionally. For this reason, the CCCCO would likely not be able to provide the noncredit colleges with SEAP funds.

Veterans Resource Centers. The annual State Budget provides funding to support of Veteran Resource Centers. Funding is only allocated to colleges that satisfy certain minimum. A total \$2 million in base funding is provided, and each college receives a base allocation of approximately \$17,391.

Arguments in support. The San Diego Community College District wrote in support, stating that “non-credit colleges and centers play a vital role in workforce development, adult education, and

skills-based training, yet they continue to be overlooked when it comes to funding essential student support services. While these centers and colleges employ provosts and presidents and have supervisors, coordinators, directors, and deans that oversee categorical programs like, basic needs, disabled students programs and services, mental health services, veterans' resource centers, and the Student Equity and Achievement Program, they are not eligible to receive the base funding from these categorical programs that go to support these positions.”

“The districts that support these non-credit colleges and centers are forced to choose between pulling funding from other students in need at other colleges or invest general fund dollars to support these students. AB 1433 makes a small carve-out to ensure that all students are supported in order to provide all students with the support services that they need in order to best complete their educational programs.”

Committee comments. AB 1433 (Sharp-Collins) seeks to create definitions of standalone noncredit centers and non-credit colleges, thereby facilitating access to base categorical funding. Existing noncredit centers provide important workforce education and serve populations that, like all CCCs, utilize the important services provided by categorical programs. *The Committee may wish to consider if this new designation could lead to the development of more CCD-specific standalone centers, and what impact those new centers would have on the allocation of remaining categorical funds throughout the CCC.*

Additionally, AB 1433 (Sharp-Collins) requires the CCC BOG, in consultation with the CCCCCO to determine the methodology for allocating base funding for the noncredit centers and colleges created in this bill. *Moving forward, the author may wish to consider if the CCCCCO should be the responsible for determining the methodology, as they do for categorical programs.*

REGISTERED SUPPORT / OPPOSITION:

Support

California Federation of Teachers
DIR/Floortime Coalition of California
San Diego Community College District
San Diego Unified School District
Individual

Opposition

None on file.

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