# SENATE COMMITTEE ON EDUCATION

# Senator Josh Newman, Chair 2023 - 2024 Regular

Bill No: SB 1200 Hearing Date: April 10, 2024

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**Version:** February 15, 2024

**Urgency:** No **Fiscal:** Yes

Consultant: Olgalilia Ramirez

Subject: California State University students: California Promise: Finish in Four and

Through in Two.

#### **SUMMARY**

This bill renames the California Promise 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.

### **BACKGROUND**

## Existing law:

- 1) Establishes the California Promise 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 academic year, 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 freshmen 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.
  - c) Submit recommendations to the appropriate policy and fiscal committees

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of the Legislature, by March 15, 2017, regarding potential financial incentives that could benefit students who participate in the California Promise 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.
  - 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.
  - 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.
  - 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 § 67430 et. seq.)

#### **ANALYSIS**

#### 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, 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.

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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.
- c) The amount of graduation initiative funds received and used per campus.
- 3) Eliminates the January 1, 2026 sunset date, effectively extending the program indefinitely.
- 4) Makes technical and conforming changes.

#### STAFF COMMENTS

- Need for the bill. 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 system continues to struggle with graduation gaps for underrepresented students, and the system's graduation rates still lag behind those of similar universities nationwide. 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."
- 2) California Promise pledge. Existing law, established by Senate Bill 412 (Glazer, Chapter 436, Statutes of 2016), requires that the CSU Trustees develop and implement California Promise programs on at least 8 campuses for nontransfer students and at least 20 campuses for qualifying transfer students. Each participating campus commits to helping participating students finish their baccalaureate degree in four academic years, or two for transfer students. Students who commit to either the four-year or two-year pledge with the campus receive priority registration and routine and comprehensive academic advice. California Promise students self-select into the program and must complete 30 units per academic year and maintain minimum grade point average requirements. Participation is guaranteed for students who are low-income. graduated from a local high school, transferred from a community college or, are first-generation. Not all CSU majors are eligible for this program due to the curriculum and required units, and students must meet pledge requirements to remain in the program.

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3) Promise program participation and graduation rates. According to CSU's 2021 report to the legislature on the program, participation grew from 2017, with 16 campuses offering a four-year pledge plan and 22 campuses offering a twoyear pledge plan. From 2017 to 2021, more than 30,000 CSU students participated in some variation of the four- or two-year pledge. Of those, more than 13,000 were among the first in their family to attend college. Data from the CSU 2021 report shows that 64 percent of community college transfer students who engaged in the two-year pledge were able to graduate within two years. This figure is significantly higher than that of the system as a whole at that time. The higher graduation rates also hold across student groups by first-generation status, Pell status, and race/ethnicity. Four-year graduation rates for first-time students were unavailable at the time the report was prepared. There is no obligation to provide a report on the Promise program beyond 2021. This bill requires the submission of an annual report on student participation in the program and makes the program permanent.

- 4) Other systemwide effort to promote timely degree completion at CSU. To address low graduation rates, CSU launched "Graduation Initiative (GI) 2025" in 2015. By 2025, CSU aims to boost the six- and four-year graduation rates for first-time freshmen to 70 percent and 40 percent, respectively, as well as the graduation rates for student transfers to 45 percent (two-year rate) and 85 percent (four-year rate). It also intends to close achievement gaps by decreasing graduation rate disparities across various student groups, particularly low-income and first-generation students. Over the last five years, the state has made significant investments; because of these investments, CSU reports that it has achieved all-time highs in graduation rates for first-time students and for transfer students and is on track to meet the GI 2025 goals. Currently, the systemwide four-year graduation rate is 33 percent (historically below 20 percent) for firsttime students, and the two-year graduation rate is 44 percent (historically below 30 percent) for transfer students. Campuses may employ their own strategies to achieve goals, which include hiring faculty, adding more course sections, hiring academic advisors, and investing in student support programs and services. A campus may use California Promise to fulfill GI objectives, but it is not currently required. This bill requires CSU campuses to report annually the amount of graduation initiative funds received and used per campus.
- Addressing achievement gaps. Despite the increases in graduation rates for first-time and transfer students, the GI has struggled to meet its goals to close equity gaps for underrepresented students. In response, the CSU convened an advisory committee in 2021 to address these remaining gaps. The advisory committee submitted a report in July 2021 with a set of recommendations and strategic imperatives to address equity gaps, and the CSU subsequently adopted five recommendations and will dedicate resources to these efforts:
  - Reengage and reenroll underserved students, such as students of color,
    Pell Grant recipients, and first-generation students.
  - Expand credit opportunities during the summer or intersession.
  - Ensure "equitable access" to digital degree planners that help students

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navigate the registration process, select core courses, and stay on track for timely graduation.

- Eliminate administrative barriers to graduation, such as fee assessments, registration holds, and cumbersome processes.
- Promote "equitable learning practices" and reduce non-passing (D-F-Withdraw) rates by providing opportunities for additional learning when needed.

The California Promise program is not mentioned among the adopted strategies, but it continues to remain an option for campuses and has demonstrated positive outcomes for underrepresented groups. As described in the California Promise report of 2021, students from priority groups, including first-generation and low-income students, are well-represented among California Promise participants, and there is evidence of reduced time-to-degree across groups based on the initial cohorts of transfer students who participated in California Promise.

# 6) Related and prior legislation.

SB 856 (Glazer, 2023), similar to this bill, would have renamed the California Promise program at CSU as the "Finish in Four and Through in Two" program. Unlike this bill, 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 percent 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 percent of program participants to be either low-income students, first-generation students, or students from underrepresented communities within postsecondary education. SB 856 was held in the Assembly Appropriations Committee.

SB 785 (Glazer, 2022) similar to this bill, would have required at least 5 percent of each incoming class at each participating CSU campus to participate in the California Promise program, and that at least 70 percent 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 include an opt out requirement. SB 785 was vetoed by Governor Newsom whose message, in pertinent part, read:

"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, 2020), identical to this bill, was not heard by this committee due to the shortened 2020 Legislative Calendar.

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SB 148 (Glazer, 2019) 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 148 was held in the Assembly Appropriations Committee.

SB 346 (Glazer, 2018) was nearly identical to SB 148 in its final form, and failed passage on the Assembly floor. SB 346 was not heard by this committee.

SB 803 (Glazer, 2017) was nearly identical to SB 346, was approved by this committee by a vote of 5-2 and was subsequently held on the Senate Appropriations Committee Suspense file.

SB 412 (Glazer, Chapter 436, Statues 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, 2016) both SB 1450 and SB 412 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 bill, 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 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 was heard by this committee on April 20, 2016 and failed passage, by a vote of 4-2.

#### SUPPORT

California Chamber of Commerce

#### **OPPOSITION**

None received

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