
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2374 (Fong) - Postsecondary education: Designation of California Asian American- and Native Hawaiian Pacific Islander-Serving Institutions

Version: June 15, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: ED. 6 - 1

Mandate: No

Consultant: Lenin Del Castillo

Bill Summary: This bill establishes criteria and procedures for postsecondary educational institutions in California to receive a designation as a California Asian American- and Native Hawaiian Pacific Islander-Serving Institution and recognize institutions that excel at providing academic resources to Asian American, Native Hawaiian, and Pacific Islander (AANHPI) students.

Fiscal Impact:

- The Chancellor's Office for the California Community Colleges indicates that it has requested \$700,000 in ongoing General Fund support to establish an Office of Civil Rights. The proposed office would lead systemwide civil rights and Title IX efforts and could also support implementation of the designation California AANHPI serving institutions. If these funds are not provided, the Chancellor's Office would implement the designation using existing resources and available administrative funding, including Student Equity and Achievement Program set-aside funds.
- The California State University (CSU) and University of California (UC) estimate minor and absorbable costs to participate in the designation of California Asian American- and Native Hawaiian Pacific Islander-Serving Institutions. Additionally, the Chancellor's Office indicates that if a community college district applies for the bill's designation, it could result in optional but minor, one-time Proposition 98 General Fund workload costs for a college to gather the requested data and information.

Background: Existing law establishes the CSU, under the administration of the Trustees of the CSU, the UC, under the administration of the UC Regents, the California Community Colleges, under the administration the Board of Governors, and independent institutions of higher education, as defined, as the four segments of postsecondary education in the state.

Existing law establishes criteria and procedures for postsecondary education institutions in California to receive a designation as a California Black-Serving Institution (BSI). The law designates the CSU Central Office for Advancement of Black Excellence to serve as the managing entity and authorizes the office to process applications for the designation. An eight-person governing board is established to determine, through a 2/3 vote, whether a college or university is qualified for the BSI designation.

Proposed Law: This bill establishes the Designation of California AANHPI-Serving Institutions to recognize colleges and universities that excel at providing academic resources to AANHPI students enrolled in degree or certificate programs offered by colleges and universities. This designation shall be awarded to qualifying applicants only by a two-thirds vote of approval by the governing board.

This bill authorizes the designation for a period of five academic years and permits a recipient to apply for renewal after five years. The bill specifies that an applicant is eligible for designation if the applicant meets specified requirements. The initial application shall include specified components, including a certification by the chief administrative officer of their commitment to address AANHPI student success that is consistent with the applicant's mission and academic goals for the applicant to achieve within the five-year period in which the initial designation awarded is valid. The goals described in the application are to improve retention, time-to-degree or time-to-certificate completion, and graduation rates of AANHPI students based on the data submitted by the applicant, as applicable.

This bill establishes a renewal application process that takes effect upon expiration of an application and specifies the requirements for renewal, which must include specified criteria. The bill provides that if a renewal application is denied by the governing board, the applicant is only authorized to apply to receive an initial designation but may use the renewal process following the award of a subsequent initial designation.

This bill designates the California Community Colleges Office of the Chancellor as the managing entity for initial and renewal designations charged with various duties including developing application processes, accepting initial and renewal applications from applicants, establishing annual application deadlines, annually processing each application, presenting applications to the governing board, informing applicants of their approval or denial and preparing and delivering the appropriate insignia to approved applicants.

This bill establishes an eight-member governing board of the California AANHPI-Serving Institutions for the purpose of awarding colleges and universities with the designation based on the applications presented by the Chancellor's Office as the managing entity. It specifies the composition of the eight-member board, which includes the Chair of the California Asian American and Pacific Islander Legislative Caucus or their designee, and specifies that the Legislature's intent when appointing members of the public, the appointing authority, is to make every effort to ensure that the membership of the governing board includes persons who have a strong interest in the further development and improvement of the academic success of AANHPI students. It also requires the chair to be the Lieutenant Governor or their designee for the first two years of operations, and authorizes the governing board to select a chairperson from within its membership by a two-thirds vote thereafter.

Related Legislation: SB 1255 (Reyes, 2026) would create the Designation of California Hispanic-Serving Institutions and names the CSU Chancellor's Office as managing entity. SB 1255 is pending in the Assembly Appropriations Committee.

SB 1348 (Bradford, Chapter 627, Statutes of 2024) establishes the Designation for Black-Serving Institutions (BSI), managed by the CSU Statewide Central Office for the Advancement of Black Excellence.

Staff Comments: Similar to California's existing BSI designation, this bill proposes to establish a recognition program and designate institutions that demonstrate a commitment to serving AANHPIs students. Applicants must provide information regarding student outcomes, campus resources, academic support services, and institutional strategies intended to improve student success. The designation would be valid for five years and may be renewed upon demonstration of continued progress. The Chancellor's Office for the California Community Colleges would serve as the managing entity for initial and renewal designations and be responsible for various duties, including developing the application process, accepting initial and renewal applications from applicants, and processing applications each year for the governing board.

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