

THIRD READING

Bill No: AB 2694
Author: Alvarez (D) and Pacheco (D), et al.
Amended: 8/27/26 in Senate
Vote: 21

SENATE EDUCATION COMMITTEE: 6-0, 7/1/26
AYES: Pérez, Ochoa Bogh, Cabaldon, Cortese, Gonzalez, Reyes
NO VOTE RECORDED: Choi

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 60-11, 5/26/26 - See last page for vote

SUBJECT: Public postsecondary education: community colleges: statewide
baccalaureate degree program

SOURCE: Author

DIGEST: This bill, contingent upon the enactment of SB 960 (Cabaldon, 2026), revises the requirements governing applications for California Community College (CCC) baccalaureate degree programs and establishes separate processes for resolving objections filed by the California State University (CSU) and retains the existing written agreement process for objections filed by the University of California (UC) and expands annual reporting requirements, as specified.

Senate Floor Amendments of 8/27/26 1) Revise the application requirements, including documentation of unmet workforce need and consultation with Labor and Workforce Development Agency (LWDA), CSU, and UC, 2) Require districts to explore partnerships with CSU and UC to expand access and avoid unnecessary duplication, 3) limit districts to three applications per academic year and require baccalaureate programs to preserve access to lower-division instruction, 4) establish separate objection process for CSU objections to be resolved through an LWDA workforce-need and capacity determination, 5) expand annual reporting to include objections, LWDA determinations, student outcomes, and program funding

and 6) make the changes operative January 1 2028, contingent upon SB 960 (Cabaldon, 2026) also taking effect.

ANALYSIS:

Existing law:

- 1) Differentiates the missions and functions of public and independent institutions of higher education. Under these provisions:
 - a) The primary mission of the CSU is to offer undergraduate and graduate instruction through the master's degree in the liberal arts and sciences and professional education, including teacher education. The CSU is authorized to establish two-year programs only when mutually agreed upon by the Trustees and the California Community Colleges (CCC) Board of Governors (BOG). The CSU is also authorized to jointly award the doctoral degree with the UC and with one or more independent institutions of higher education.
 - b) The UC provides undergraduate and graduate instruction and has exclusive jurisdiction in public higher education over graduate instruction in the professions of law, medicine, dentistry, and veterinary medicine. The UC is also the primary state-supported academic agency for research.
 - c) The independent institution of higher education requires undergraduate and graduate instruction and research in accordance with their respective mission.
 - d) The mission and function of the CCC are to offer academic and vocational instruction at the lower division level, and the CCC is authorized to grant associate degrees. The CCCs are also required to offer learning supports to close learning gaps, English as a Second Language instruction, and adult noncredit instruction, and support services which help students succeed at the postsecondary level. (Education Code (EC) § 66010.4)
- 2) Authorizes the CCC BOG, in consultation with the CSU and the UC, to establish baccalaureate degree programs that do not duplicate a baccalaureate degree program offered by the CSU or UC. Allows for the approval of 30 CCC baccalaureate degree programs per academic year. Current law further requires the CCC Chancellor to consult with and seek feedback from the CSU Chancellor, the UC President, and the President of the Association of Independent California Colleges and Universities 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. (Education Code [EC] § 78040 et seq.)

- 3) Requires the CSU Trustees to ensure that any changes in the admission criteria for campus admission comply with specified consultation, public meeting, notification and disclosure requirements, and prohibits any change from becoming effective until one year has elapsed, or six months, if the change is based upon the resources of the local service area of the affected campus. Applies these requirements to all changes in the admission criteria that affect eligibility of local service area applicants, including changes to transfer requirements and determinations regarding impact of majors. (EC § 89030.5)

This bill:

- 1) Requires the governing board of a community college district seeking authorization to offer a baccalaureate degree program to submit specified information for review by the CCC Chancellor and the CSU Chancellor and approval by the CCC BOG.
- 2) Requires an applicant that has not obtained a determination from the Secretary of the LWDA to submit specified documentation of unmet workforce need, including evidence of consultation with the LWDA.
- 3) Requires an applicant that has not obtained a determination from the LWDA Secretary to document consultation with CSU and UC regarding collaborative approaches to meeting regional workforce needs, including specified partnerships.
- 4) Requires an applicant to document that a proposed baccalaureate degree program is not substantially similar to a CSU program or that specified CSU transfer acceptance rate requirements have been satisfied and authorizes CSU to submit evidence regarding those requirements.
- 5) Limits a community college district to submitting no more than three applications for baccalaureate degree programs during an academic year.
- 6) Prohibits a district offering a baccalaureate degree program from displacing enrollment opportunities for students seeking associate degrees for transfer,

certificates, or noncredit instruction, and requires the district to maintain access to lower-division instructional offerings.

- 7) Requires the CCC Chancellor to notify CSU, UC, and the Association of Independent California Colleges and Universities of proposed baccalaureate degree programs and authorizes CSU and UC to submit a written objection within 45 working days, or within 60 working days if more than 45 applications are received during a single application period.
- 8) Requires the LWDA Secretary, upon receipt of a CSU objection, to determine whether the proposed program addresses an unmet current or projected future workforce need and whether the substantially similar CSU program has sufficient capacity to meet regional workforce needs, as specified.
- 9) Prohibits establishment of the proposed program if the Secretary determines that it does not address an unmet current or projected workforce need and prohibits the district from submitting an application for a similar program for five years.
- 10) Requires the CCC Chancellor, upon receipt of a UC objection, to convene the applicant and UC to collaborate and establish a written agreement before the program is approved and prohibits referral of a UC objection to the LWDA Secretary.
- 11) Requires the CCC Chancellor's annual report to the Legislature to include determinations made by the LWDA Secretary and a summary of the funding sources supporting each approved baccalaureate degree program.
- 12) Makes the bill operative on January 1, 2028, and only if SB 960 (Cabaldon, 2026) is enacted and becomes effective on or before January 1, 2027.

Comments

Need for the bill. According to the author, "California's economic future depends on our ability to meet regional workforce demands while expanding equitable access to higher education. AB 2694 ensures that community college bachelor's degree programs remain responsive, affordable, and aligned with local labor market needs. By clarifying outdated statutory barriers, this bill helps students—especially those who are place-bound or underserved—access high-quality, four-year degree opportunities in their communities."

Companion legislation. This bill and SB 960 (Cabaldon, 2026) divide the proposed changes to the CCC baccalaureate degree program between two measures. SB 960 (Cabaldon, 2026) establishes the district eligibility tiers, program limits, regional duplication standards, and the process for obtaining an advanced workforce-need determination. AB 2694 (Alvarez, 2026) applies those standards through the application and objection process, establishes the process for resolving CSU objections, retains the existing written-agreement process for UC objections, and expands annual reporting. AB 2694 (Alvarez, 2026) becomes operative only if SB 960 (Cabaldon, 2026) is also enacted and takes effect, and double-jointing language integrates the two bills into a single statutory framework.

Differentiation of mission. The state has four segments of higher education: three public and one private. Each plays a vital and unique role for the state and its students. Their mission statements are outlined in state statute. The CCCs are to have an open admission policy and bear the most extensive responsibility for lower-division undergraduate instruction. Its primary area of mission includes academic and vocational instruction leading to associate degrees and university transfer, career technical education, and remedial education. The primary mission of the CSU is undergraduate and graduate instruction through the master's degree. The UC was granted the sole authority to offer doctoral degrees and is the state's primary research institution. Despite the differentiation of mission, the Legislature has authorized the CSU and CCCs to go beyond their original mission to offer doctoral degrees and baccalaureate degree programs, respectively, so long as programs do not duplicate those offered by the other segments with primary jurisdiction. This bill prohibits CCC baccalaureate programs from displacing opportunities for students seeking associate degrees, transfer degrees, certificates, or noncredit institutions and by requiring districts maintain access to lower-division offerings. SB 960 (Cabaldon, 2026) and this bill together allow for CCC baccalaureate degree growth while retaining guardrails intended to keep that growth tied to workforce and degree access gaps not met by the other segments.

Existing CCC Bachelor's program. SB 850 (Block, Chapter 747, Statutes of 2014) authorized the BOG, in consultation with the CSU and the UC, to establish a CCC baccalaureate degree pilot program. The pilot program included 15 participating CCC districts to offer one baccalaureate degree program each to meet local workforce needs, as long as it did not duplicate a baccalaureate degree program already offered by the CSU or the UC. The original pilot led to the statewide authorization established by AB 927 (Medina, Chapter 565, Statutes of 2021), which allows the CCC BOG to approve qualifying programs twice a year. Today,

as reported on the California Community Colleges Chancellor's Office website, there are more than 50 approved CCC baccalaureate programs statewide, primarily in applied and workforce-related fields such as health care, industrial technology, and public safety. Specific degree offerings include respiratory care, mortuary science, industrial automation, and public safety management. These programs are intended to address unmet regional workforce needs rather than broad expansion into traditional academic fields of study. Since 2017, approximately 1,893 students have attained a CCC bachelor's degree, with 293 completed in the 2023-24 academic year. This bill broadens the circumstances under which community colleges may offer programs.

Growing tension over duplication. The debate surrounding CCC baccalaureate degrees has increasingly moved away from the administrative approval process established in statute to the legislative process. Existing law establishes an administrative process intended to evaluate proposed CCC baccalaureate degree programs based on required criteria, including workforce need and program duplication. Since enactment of the statewide program, disagreements regarding program duplication have resulted not only in formal objections during the Chancellor's review process, but also in district-specific legislation seeking authority to establish individual baccalaureate degree programs. In addition, community college districts have increasingly sought letters of support from Members of the Legislature as part of their applications, reflecting the growing role legislative advocacy has played in what was originally intended to be an evidence based administrative review process. The issue is not whether CCCs should continue offering bachelor's degrees, but rather how duplication, workforce need, and student access should be evaluated.

Separate CSU and UC objection processes. Existing law generally prohibits a CCC from offering a baccalaureate degree that duplicates a program already offered by CSU or UC. Current law applies the same consultation process when either CSU or UC objects to a proposed CCC program based on duplication concerns. This bill instead establishes different processes for each segment. A CSU objection is referred to the LWDA Secretary, who determines whether the proposal addresses an unmet current or projected future workforce need and whether the substantially similar CSU program has sufficient regional capacity. A favorable determination permits the proposal to proceed to the CCC Board of Governors, and a finding that there is no unmet need prevents the program and prohibits a similar application for five years. A district may also obtain a favorable workforce determination through the advanced process established in SB 960 (Cabaldon, 2026). If granted, this bill exempts the district from additional workforce

documentation and the CSU objection process. A UC objection is not referred to LWDA. The CCC Chancellor must instead convene UC and the applicant to collaborate and establish a written agreement resolving the objection before approval.

Encouraging collaboration. This bill requires districts that do not obtain an advanced workforce determination to consult with CSU and UC and explore structured partnerships before independently establishing a new baccalaureate degree. Potential approaches include guaranteed transfer agreements, 2 + 2 articulation, dual enrollment pathways, credit for prior learning, shared facilities, co-location, and cross-location delivery. This encourages the segments to use existing institutional capacity where a partnership can meet the need.

Changes to program duplication standard in SB 960 (Cabaldon, 2026). As mentioned, existing law generally prohibits a CCC from offering a baccalaureate degree that duplicates one already offered by CSU or UC. That prohibition serves two purposes. First, it preserves the differentiated missions established within California's higher education system. Second, it encourages public institutions to coordinate program offerings instead of competing for the same students. While SB 960 (Cabaldon, 2026) establishes the "substantially similar" standard and the regional CSU duplication exception, AB 2694 (Alvarez, 2026) requires a district to document that its proposed program is not substantially similar to a CSU program or that the 75% transfer acceptance rate exception has been satisfied. CSU may submit their own evidence.

Impact on CCCs core mission. In previous discussions around authorizing the offering of CCC baccalaureate degrees, concerns were raised that broadening the CCC mission would diminish attention to transfer, associate degree completion, remedial education goals, and career technical education. In an effort to address this concern and limit potential impacts on the CCCs' core mission of the CCC, as well as on existing associate degree programs at local campuses, existing law established by AB 927 (Medina, Chapter 565, Statutes of 2021) limits the number of programs a CCC may offer to no more than 25% of the number of associate degree programs offered at the college. In addition to the performance-based program limits on the number of programs contained in SB 960 (Cabaldon, 2026), this bill limits each district to three applications per academic year and prohibits baccalaureate programs from displacing lower-division, certification, or noncredit enrollment opportunities. These safeguards attempt to balance additional bachelor's degree authority with the preservation of the CCCs critical mission.

Reporting. This bill continues annual reporting on approved CCC baccalaureate programs and adds information about LWDA determinations and the public and fee revenues supporting each program. The report also includes enrollment, completion, employment outcomes, collaborative efforts, and segment objections.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee analysis, this bill would have the following fiscal impact:

- The Community College Chancellor's Office indicates that the bill would not result in additional Proposition 98 General Fund costs to participating community college districts (CCDs) as the bill would operate within the fiscal conditions already established in statute for baccalaureate degree programs offered at community colleges. Additionally, the Community College Chancellor's Office indicates that while the bill may lead to an overall increase in the number of new baccalaureate degree programs being approved, it cannot increase per-student costs as current statute ties funding for these programs to the current community college marginal rate for a full-time equivalent student. Further, community college districts must demonstrate full financial and operational capacity, including staffing, student supports, and long-term sustainability, before receiving authorization to offer a baccalaureate degree program.
- Depending on the number of new community college baccalaureate programs that are authorized as a result of this bill, it could impact enrollment across UC and CSU campuses and pose significant General Fund cost pressures.
- The Community College Chancellor's Office may incur minor General Fund costs to complete the annual report and provide technical assistance.

SUPPORT: (Verified 8/27/26)

The Campaign for College Opposition

OPPOSITION: (Verified 8/27/26)

None received on this version

ASSEMBLY FLOOR: 60-11, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Solache, Soria, Stefani, Ta, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Alanis, Castillo, Chen, Davies, DeMaio, Ellis, Gallagher, Johnson, Macedo, Tangipa, Wallis

NO VOTE RECORDED: Arambula, Bryan, Dixon, Flora, Gabriel, Muratsuchi, Ransom, Celeste Rodriguez, Sharp-Collins

Prepared by: Olgalilia Ramirez / ED. / (916) 651-4105
8/28/26 11:53:36

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