
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1255 (Reyes) - Postsecondary education: Designation of California Hispanic-Serving Institutions

Version: April 14, 2026

Urgency: No

Hearing Date: April 20, 2026

Policy Vote: ED. 5 - 1

Mandate: No

Consultant: Lenin Del Castillo

Bill Summary: This bill establishes, upon appropriation, criteria and procedures for postsecondary educational institutions to receive a designation as a California Hispanic-Serving Institution (HSI) for the purpose of recognizing institutions that excel at providing academic resources to Latino students.

Fiscal Impact:

- While the bill's provision would be contingent on an appropriation, the California State University (CSU) estimates General Fund costs in the low to mid hundreds of thousands of dollars each year for CSU to serve as the managing entity for initial and renewal designations. These costs would be used to develop the application processes, review the applications, and process them to the governing board on an ongoing basis.
- This bill could result in General Fund cost pressure in the low millions of dollars each year to provide dedicated resources to HSI designated institutions necessary to accomplish their goals in addressing the needs of these students.
- The University of California (UC) does not anticipate additional costs as a result of this bill.
- The Chancellor's Office estimates minor General Fund costs to participate in the governing board. Additionally, to the extent that a community college district applies for the designation, there could be minor Proposition 98 General Fund workload costs to gather the requested data and information.
- There could be additional General Fund costs for the Lieutenant Governor's Office to serve as Chair of the governing board during the first two years of the program. However, these costs are expected to be minor and absorbable within existing resources.

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

Existing law establishes criteria and procedures for postsecondary education institutions in California to receive a designation as a California Black-Serving Institution (BSI). It 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.

Under federal law, the Minority-Serving Institutions program supports higher education institutions that serve high concentrations of minority and low-income populations by assisting these institutions in strengthening their academic, administrative, and fiscal capacity. It consists of several types of programs, including the HSI Program, where eligible institutions may apply for competitive grants. To qualify for a federal HSI designation, a qualifying institution must have an enrollment of undergraduate students that is at least 25 percent Hispanic.

Proposed Law: This bill establishes, upon appropriation, the Designation of California HSI for purposes of recognizing colleges and universities that excel at providing academic resources to Latino students enrolled in degree or certification programs offered by colleges and universities. The designation is to be only awarded to qualifying applicants by a 2/3 vote of approval from 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. It specifies that an applicant is eligible for the designation if the applicant meets specified requirements, including at least 25 percent of the college or university's enrollment identifying as Hispanic and Latino students.

This bill requires that the initial application include prescribed requirements, including a certification by the institution's chief administrator of their commitment to address Latino student success that is consistent with the institution's mission and academic goals for the institution to achieve within the five-year period for which the initial designation is valid. The goals described in the application are to improve retention, time-to-degree or time-to-certificate completion, and graduation rates of Latino students and the overall student population based on data submitted by the applicant, as applicable.

This bill requires that upon expiration of an application, the renewal application include specified criteria including resubmission of the applicable application, demonstration of the applicant's progress to achieve academic goals, academic equity goals, and strategic plan implementation stated in the previous application, and changes made to the mission statement in the strategic plan and/or in the description of campus resources.

This bill provides that CSU is the managing entity for the designation and requires CSU to act as a neutral administrative body charged with duties related to accepting applications, establishing annual deadlines, processing applications biannually, notifying applicants of approval or denial of their application by the governing board, preparing, and delivering the appropriate insignia to approved applicants.

This bill establishes the governing board of the Designation of California HSI for the purpose of awarding colleges and universities with the designation based on

applications presented by CSU. It also requires that the governing board be subject to the Bagley-Keene Open Meeting Act and be comprised of the following eight members: the Lieutenant Governor, or their designee, one member of the public, to be appointed by the Speaker of the Assembly, one member of the public, to be appointed by the President pro Tempore of the Senate, a UC President designee, a CSU Chancellor designee, a CCC Chancellor designee, a designee of the Association of Independent California Colleges and Universities, and the California Latino Legislative Caucus chair, or their designee.

This bill limits board service of a public member appointed by either the Assembly Speaker or the Senate President pro Tempore to a two-year term. The bill further requires that the appointing authority of a public member make every effort to ensure that the board membership includes persons who have a strong interest in the further development and improvement of the academic success of Latino students. The bill also requires, for purposes of the first two years of the governing board's operations, the chair to be the Lieutenant Governor or their designee. Thereafter the governing board is authorized to select a chairperson from within its membership by a two-thirds vote, as specified.

Related Legislation: AB 2374 (Fong, 2026) establishes criteria and procedures for postsecondary education institutions in California to receive a designation as a California Asian American and Native American Pacific Islander-Serving Institution for the purposes of recognizing institutions that excel at providing academic resources to Asian American and Native American Pacific Islander students. This bill is pending in the Assembly Higher Education Committee.

Staff Comments: This bill is modeled after SB 1348 (Bradford, Chapter 627, Statutes of 2024) which created California's Black-Serving Institution designation to recognize colleges and universities that excel at providing academic resources to Black and African American students. CSU's Statewide Central Office for Advancement of Black Excellence serves as its managing entity, with determinations made by a separate governing board. Similarly, this bill creates a statewide designation to recognize Hispanic-serving institutions and requires the segments of higher education to apply and demonstrate efforts to improve student success for this underserved student population. When applying for the designation, institutions are required to provide information on the outcomes of Hispanic and Latino students, as well as a detailed description of academic resources available to support their academic success. The designation would be valid for a period of five years, after which a campus may apply for renewal. The state designation does not include financial assistance for successful applicants.

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