

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 1255 (Reyes) – As Amended June 25, 2026

Policy Committee: Higher Education

Vote: 7 - 3

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill creates, upon an appropriation by the Legislature, the Designation of California Hispanic-Serving Institutions (CHSI) to recognize colleges and universities that excel at providing academic resources to Latino students.

The bill designates the office of the Chancellor of the California State University (CSU) as the managing entity responsible for initial and renewal designations.

FISCAL EFFECT:

- 1) While the bill's implementation is subject to an appropriation by the Legislature, the CSU cites ongoing General Fund costs in the mid-to-high hundreds of thousands of dollars annually to serve as the managing entity for initial and renewal designations and oversee the application and designation process.
- 2) Potential minor one-time Proposition 98 General Fund cost pressures for a community college district (CCD) applying for designation as a CHSI. The California Community College's Chancellor's Office (CCCCO) reports a total of 96 designated HSI community colleges under the pre-existing federal designation.
- 3) Minor General Fund state operations costs for the CCCCCO to participate in the CHSI designation governing board.
- 4) Minor and absorbable costs to the University of California (UC).

COMMENTS:

- 1) **Purpose and Background.** According to the author:

California's strength comes from the success of our diverse students. By formally recognizing Hispanic-Serving Institutions in state law, we are acknowledging the campuses that are doing the hard work to close opportunity gaps and help Latino students thrive in college and beyond. This designation will shine a light on what works and encourages continued investment in student success. We cannot allow our students to become collateral damage in political and legal battles. SB 1255 sends a clear message: we will defend college access, protect

educational quality, and stand firmly behind the students who represent the future of our state.

Further, according to EdTrust-West, “Latinx” people represent 51% of California’s population under age 25 and by “formalizing a state-level HSI designation, California can better coordinate workforce investments, maximize return on public funding, and ensure that our student population is fully integrated into the state’s long-term economic strategy.” This bill creates a similar framework for Hispanic-Serving Institutions as prescribed by the existing Black-Serving Institutions designation under current law and the proposed Asian American- and Native Hawaiian Pacific Islander-Serving Institution designation by AB 2374 (Fong), of the current legislative session. According to the CSU, “Latinx” students account for nearly half of the entire CSU system’s over 471,000 students and the bill names the office of the Chancellor of the CSU as the managing entity for determining eligibility for institutions seeking designation.

Until the federal government cancelled the designation in 2025, California had approximately 172 institutions designated by the federal government as Hispanic-Serving Institutions. Proponents of this bill argue that the state reinstituting a Hispanic-Serving Institution designation maintains continuity for the goals created by the original federal program and helps ensure successful inclusion of “Latinx” students into higher education and workforce opportunities.

- 2) **Related Legislation.** AB 2374 (Fong), of the current legislative session, creates the designation of California Asian American- and Native Hawaiian Pacific Islander-Serving Institutions. AB 2374 is pending hearing in the Senate Appropriations Committee.
- 3) **Prior Legislation.** SB 1348 (Bradford), Chapter 627, Statutes of 2024, established the Designation for Black-Serving Institutions, managed by the CSU Statewide Central Office for the Advancement of Black Excellence.

Analysis Prepared by: Aaron Heredia / APPR. / (916) 319-2081