

SENATE THIRD READING
SB 960 (Cabaldon)
As Amended August 27, 2026
Majority vote

SUMMARY

Beginning January 1, 2028, restructures the approval framework for California Community College (CCC) baccalaureate degree programs. Limits the prohibition on duplication of California State University (CSU) programs to CSU campuses whose local service area includes or overlaps with the community college district's (CCD) territory, and creates an exception permitting duplication where the CSU campus program has had a transfer acceptance rate of less than 75% for three consecutive years. Retains the statewide prohibition on duplication of University of California (UC) programs. Establishes a five-tier eligibility framework that caps the number of baccalaureate degree programs a CCD may offer based on the district's award and transfer rate. Creates a role for the Secretary of Labor and Workforce Development in determining unmet workforce need and in resolving CSU objections. Contains contingent enactment and double-jointing provisions tying the bill's operation to AB 2694 (Alvarez).

Major Provisions

- 1) Delays operation of the bill's substantive provisions until January 1, 2028, and continues existing law until that date.*
- 2) Establishes, consistent with the requirements of the section, an additional authorized mission for the CCC, secondary to its primary mission, as specified, to offer upper division instruction to meet unmet regional workforce needs.*
- 3) Modifies the prohibition on duplication of existing public university programs, as follows:*
 - a) Prohibits a CCD from offering a baccalaureate degree program or program curricula already offered by the UC, unless a written agreement has been established through the objection process, as specified;*
 - b) Prohibits a CCD from offering a baccalaureate degree program or program curricula already offered by a CSU campus whose local service area includes, or overlaps with, the territory of the district, except as provided in c) below;*
 - c) Authorizes a CCD to offer a substantially similar program offered by a CSU campus whose local service area includes, or overlaps with, the territory of the district if the CSU campus program has a transfer acceptance rate of less than 75% for three consecutive years before the program is approved, for applicants from the respective CCD who have met the program eligibility requirements for the academic program sought by the district; and,*
 - d) Requires the CSU Chancellor to make transfer acceptance rate data publicly available on its internet website on or before January 1, 2028, and annually on or before December 1 thereafter.*
- 4) Establishes a tiered framework determining the maximum number of baccalaureate degree programs a CCD may offer, based on the district's rate of students who earned an award or*

transferred within three years of entering the cohort, measured against the statewide mean rate and standard deviation, as follows:

- a) A Tier 1 district, more than one standard deviation above the mean rate, may offer up to 10 programs; up to 11 if the district has more than one campus; and up to 12 if the district has 75,000 or more full-time equivalent students (FTES);*
 - b) A Tier 2 district, above the mean rate and within one standard deviation above it, may offer up to eight programs; up to nine if the district has more than one campus; and up to 10 if the district has 75,000 or more FTES;*
 - c) A Tier 3 district, at or below the mean rate and within one standard deviation below it, may offer up to six programs;*
 - d) A Tier 4 district, more than one but less than two standard deviations below the mean rate, may offer up to four programs; and,*
 - e) A Tier 5 district, two or more standard deviations below the mean rate, may offer up to two programs.*
- 5) Provides, with respect to the tiered framework, that:*
- a) A district shall not offer more than 10 baccalaureate degree programs at any one time, regardless of tier;*
 - b) A district that falls to a lower tier may continue to operate previously approved programs, but shall not receive approval for an additional program that would exceed the maximum authorized for its current tier.*
 - c) A program offered at more than one college within a district counts as one program.*
 - d) A program approved before January 1, 2028, does not count toward the district's tier maximum or the 10-program limit.*
 - e) The CCC Chancellor may place a Tier 3, Tier 4, or Tier 5 district in the next highest tier if the district's annual award or transfer rate increased by two percentage points in each of the three most recent cohort years.*
 - f) Requires a district to report data for each of the three applicable cohort years to be assigned a tier, and requires the CCC Chancellor to publish district rates, the mean rate, and the standard deviation on or before January 1, 2028, and annually on or before December 1 thereafter.*
- 6) Prohibits a CCD from offering a baccalaureate degree program through a fully online instructional modality if the CSU or the UC offers a substantially similar program through a fully online instructional modality.*
- 7) Establishes a workforce need determination process with the Secretary of Labor and Workforce Development, as follows:*

- a) *Encourages, but does not require, a CCD to obtain a determination of unmet current or projected future workforce need before submitting an application;*
 - b) *Requires a requesting district to provide a copy of the request to the CCC Chancellor, the CSU, the UC, and the Association of Independent California Colleges and Universities (AICCU), and authorizes potentially impacted campuses to submit capacity information directly to the Secretary;*
 - c) *Requires the Secretary, within 90 days of a completed request, to determine whether the program addresses an unmet current or projected future workforce need and whether the capacity of substantially similar academic programs is insufficient to meet regional workforce needs, using all relevant data, including data from the Employment Development Department's Labor Market Information Division; and,*
 - d) *Provides that a determination is valid for four years, and that a favorable determination exempts the program from the requirements applicable to a written objection filed by the CSU, but not from those applicable to a written objection filed by the UC, as specified.*
- 8) *Defines "district," "local service area," "same academic discipline," "substantially similar," and "unmet current or projected future workforce need" for purposes of the article, operative January 1, 2028.*
- 9) *Incorporates additional changes to Education Code (EDC) Section 78042 proposed by AB 2694 (Alvarez), to become operative only if both bills are enacted and this bill is enacted last.*
- 10) *Provides that this act shall become operative only if AB 2694 (Alvarez) is enacted and becomes effective on or before January 1, 2027.*

COMMENTS

CCC Baccalaureate Degree Program. The CCC Baccalaureate Degree Program was established to allow CCDs to offer four-year degrees in subject areas with documented unmet workforce needs that are not duplicated by existing CSU or UC programs. As of the most recent data available from the CCC Chancellor's Office (CCCCO), 45 colleges have received approval to offer baccalaureate programs, with a combined total of 60 approved programs statewide. The most common program areas are Respiratory Care or Therapy, offered at 11 colleges, followed by Dental Hygiene at eight colleges and Biomanufacturing at six colleges — reflecting the program's emphasis on allied health and technical workforce training. Southern California has the highest concentration of approved programs, accounting for approximately 40% of all approvals, while rural and North State colleges represent the smallest share but some of the most regionally distinctive offerings. The program operates under a structured, merit-based approval process that evaluates workforce need, program quality, institutional capacity, and non-duplication of UC and CSU offerings before any authorization is granted.

Regarding the approval timeline, CCDs may submit applications on one of two cycles annually— by January 15 for a May 31 decision, or by August 15 for a December 31 decision — with the Chancellor's Office conducting a minimum 30-day review of each completed application. No more than 15 programs may be approved in any single application period, for a maximum of 30 new approvals per academic year, and a district's total baccalaureate offerings

may not exceed 25% of its associate degree programs at any time. The CCC Baccalaureate Degree Program operates within a system whose primary statutory mission, under EDC Section 66010.4, is the offering of lower-division academic and vocational instruction, including transfer to four-year institutions. Recent data from EdSource indicates that of CCC students who began their studies in the 2019-20 academic year, approximately 18% had transferred to a four-year postsecondary institution within four years. In 2025, 68,600 community college students transferred to a UC or CSU campus, with 71.8% transferring to CSU.

Tension over duplication. The tension between the CCC and the CSU over baccalaureate program duplication has been well-documented in recent years. Disagreement over what constitutes duplication has left more than a dozen proposed programs in limbo since, with the two systems holding fundamentally different views on whether geographic distance between institutions is a relevant factor in the duplication analysis.

CSU has raised concerns — reflected in resolutions by the CSU Academic Senate and statements from the CSU Chancellor's Office — about both the philosophical boundaries established by the 1960 Master Plan and the potential enrollment and funding impacts of expanding community college baccalaureate offerings. The dispute recently reached an inflection point in February 2026, when the CCC Chancellor's Office approved three programs over CSU's objections — at Mesa College, Moorpark College, and Southwestern College — that followed years of deliberations and a WestEd analysis commissioned by the community college system examining CSU's duplication claims against 16 pending proposals.

According to the Author

According to the author, "SB 960 is a student-centered policy that allows a California Community College to offer a bachelor's degree in a high-demand field when the regional [CSU] has been impacted in that same program for three consecutive years or if the program is not offered by the regional CSU."

The author continues, writing that "...when CSU programs are consistently over-enrolled and turning qualified students away, California cannot afford to let workforce pipelines stall. SB 960 provides a student and workforce focused approach to allowing some community colleges to offer a bachelor's degree. This bill removes an outdated barrier that prioritizes institutional boundaries over students' futures. By expanding affordable, local access to bachelor's degrees in critical technical fields, SB 960 strengthens California's workforce, fuels economic growth, and ensures students are not denied opportunity simply because a program is full."

Arguments in Support

Note: This is based on a prior version of the bill. According to a joint letter representing dozens of CCC campuses across the state, SB 960 (Cabaldon) "...addresses a critical gap in current law by recognizing that the mere existence of a program within the [CSU] system does not guarantee meaningful access for students. In many regions, CSU programs in high-demand technical fields are impacted due to capacity issues, leaving students without a viable pathway to complete a bachelor's degree aligned with workforce needs. By allowing CCDs to offer a baccalaureate degree when a comparable program has been impacted for three consecutive years, SB 960 represents a thoughtful approach that helps ensure that place-bound students are not indefinitely denied access to high-demand programs due to capacity constraints.

The coalition continues, writing that "SB 960 aligns higher education policy with workforce realities by enabling regions to respond more effectively to persistent labor market needs,

particularly in applied and technical fields such as biomanufacturing and engineering technology. Expanding access to locally available, workforce-oriented bachelor's degrees will strengthen economic mobility for students and support the state's long-term economic competitiveness. Our community colleges are uniquely positioned to help close this gap, ensuring that all Californians have access to an affordable four-year degree."

Arguments in Opposition

Note: this is based on a prior version of the bill. The CSU Office of the Chancellor wrote in opposition to SB 960 (Cabaldon), noting that "dozens of academic programs as varied as nursing, business administration, electrical engineering, psychology and social work are impacted at a number of CSU universities. Additionally, five universities (Fullerton, Long Beach, San Diego, San José and San Luis Obispo) are impacted for all undergraduate degree programs. Across all our universities, more than 193,000 undergraduate students were enrolled in the CSU's impacted programs for the Fall 2025 semester. Approximately 36% of these students, nearly 70,000 in total, transferred from a California Community College. The CSU Chancellor's Office has been working and will continue to work with impacted campuses to increase access. For example, over the last three years, \$89 million dollars of annual funding and 10,000 FTES slots have been shifted from under enrolled campuses to campuses that are growing. The Chancellor's Office has also allocated \$40 million of one-time funding to support enrollment growth at in-demand campuses. Impaction is the result of a lack of equitable state investment in the CSU. While the community colleges benefit from Proposition 98's guaranteed funding, local tax revenue and access to bond authority for facility needs, the state's investment to the CSU is often lagging and unpredictable. For some programs, such as our pre-licensure Bachelor of Science in nursing programs, impaction is driven almost entirely by factors outside of the CSU's control, including the limited capacity for clinical placements."

The CSU Office of the Chancellor also wrote that "the CSU believes that any proposal that significantly expands the Community Colleges' baccalaureate degree authority should include, at minimum, statewide duplication standards to ensure the efficient use of state resources, demonstration of meeting a clear workforce need, and a prohibition on substantially similar programs where CSU or UC programs are already accessible and effectively serving the region. Community colleges should demonstrate that they are meeting performance benchmarks for their core mission, including associate degree completion and transfer to four-year institutions, before offering new baccalaureate degree programs. We should also require annual reporting on the status and completion rates of these programs."

FISCAL COMMENTS

According to the Assembly Committee on Appropriations:

- 1) No new Proposition 98 General Fund costs. According to the CCCCCO, this bill operates entirely within the existing framework established in statute authorizing the CCCCCO to approve up to 30 new baccalaureate degree programs per academic year. Under the existing framework, a CCD must demonstrate (a) full financial and operational capacity required for a new program prior to receiving approval from the CCCCCO and (b) the increased upper-division per-unit cost provides additional revenue to CCDs offering a baccalaureate degree program that effectively creates an ongoing revenue stream that serves to support the program financially by offsetting potential cost pressures. Additionally, the existing framework connects baccalaureate degree program funding to the current community college

marginal cost rate for a full-time equivalent student as a means of keeping expenditures within existing Proposition 98 appropriated resources.

- 2) One-time General Fund costs likely in the tens of thousands of dollars for the CCCCCO to update the CCD application for the baccalaureate degree program, issue guidance, provide technical assistance, and complete required reporting.
- 3) No administrative costs according to the UC and CSU. However, the CSU reports it may experience cost pressures related to potential decreased enrollment, possibly in hundreds of thousands to millions of dollars (General Fund), due to reduced enrollment to the extent four-year degree students who would have otherwise enrolled at a campus of the CSU enroll in a newly established CCD baccalaureate program authorized under the provisions of this bill. The CSU reports that, across the CSU system, 36% of Fall 2025 semester enrolled students within an impacted degree program transferred from a community college, approximated 70,000 students total.

VOTES

SENATE FLOOR: 37-0-3

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Niello, Ochoa Bogh, Padilla

ASM HIGHER EDUCATION: 6-1-3

YES: Fong, Boerner, Jeff Gonzalez, Jackson, Patel, Celeste Rodriguez

NO: DeMaio

ABS, ABST OR NV: Muratsuchi, Sharp-Collins, Tangipa

ASM APPROPRIATIONS: 13-1-1

YES: Wicks, Hoover, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta

NO: Dixon

ABS, ABST OR NV: Tangipa

UPDATED

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CONSULTANT: Kevin Powers / HIGHER ED. / (916) 319-3960

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