An act relating to the California State University, and making an appropriation therefor.

SECURED COPY

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. (a) The sum of twenty-five million dollars ($25,000,000) is hereby appropriated from the General Fund to the Trustees of the California State University for the purposes of this section.

(b) The funds shall not be released until the Director of Finance has certified that the trustees have done, no later than September 30, 2016, all of the following:

(1) Endorsed the components of the approach articulated in the 2016–17 Governor's Revised Budget Summary to improve four-year graduation rates and two-year transfer graduation rates for all students of the university, particularly low-income students.

(2) Adopted a plan for the university that specifies both of the following:

(A) The time–frame by which all of following will occur:

(I) The four-year graduation rate for students of the university increases to at least the four-year graduation rate for students at other postsecondary educational institutions.

(II) The two-year transfer graduation rate for students of the university increases to at least the two-year transfer graduation rate for students at other postsecondary educational institutions.

(III) The four-year graduation rate for low-income students increases to at least the four-year graduation rate for its students who are not low-income students.

(IV) The two-year transfer graduation rate for low-income students increases to at least the two-year transfer graduation rate for its students who are not low-income students.

SECURED COPY

(B) The specific actions to be taken by the university consistent with the approach articulated in the 2016–17 Governor's Revised Budget Summary.

(3) Adopted a plan for each campus that specifies both of the following:

(A) The time–frame by which all of the following will occur:

(I) The four-year graduation rate for students of the campus increases to at least the four-year graduation rate for students at other postsecondary educational institutions.

(II) The two-year transfer graduation rate for students at the campus increases to at least the two-year transfer graduation rate for students at other postsecondary educational institutions.

(III) The four-year graduation rate for low-income students at the campus increases to at least the four-year graduation rate for students at the campus who are not low-income students.

(IV) The two-year transfer graduation rate for low-income students at the campus increases to at least the two-year transfer graduation rate for students at the campus who are not low-income students.

(B) The specific actions to be taken by the campus consistent with the approach articulated in the 2016–17 Governor's Revised Budget Summary.

(4) Made a commitment to submit reports, at least annually, to the Director of Finance and the Legislature, pursuant to Section 9795 of the Government Code, regarding progress in improving its four-year graduation rate and two-year transfer graduation rate.

SECURED COPY

(c) For purposes of this section, “four-year graduation rate”, “low-income student,” and “two-year transfer graduation rate” have the same meanings as those terms are defined in Section 89295 of the Education Code.

- 0 -

SECURED COPY

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: California State University: graduation rates.

SECURED COPY

Existing law establishes the California State University, under the administration of the Trustees of the California State University, as one of the segments of public postsecondary education in this state. The university comprises 25 institutions of higher education throughout the state. Existing law, commencing with the 2013–14 academic year, requires the university to report, by March 15 of each year, on specified performance measures, including various calculations of graduation rates, for the preceding academic year.

This bill would appropriate $25,000,000 from the General Fund to the trustees upon the trustees taking, by September 30, 2016, specified actions to improve the 4-year graduation rate and the 2-year transfer graduation rate at the university, including actions to improve those graduation rates for low-income students. To receive this appropriation, the bill would require the trustees to commit to submitting reports, at least annually, to the Director of Finance and the Legislature regarding progress in improving its 4-year graduation rate and 2-year transfer graduation rate.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.