



Office of the Mayor

CONSENT CALENDAR

April 4, 2017

To: Honorable Members of the City Council

From: Mayor Jesse Arreguín and Councilmembers Harrison, Wengraf, and Hahn

Subject: Support of AB 1038: Tuition Free Public Higher Education by 2030

RECOMMENDATION

Adopt a Resolution in support of AB 1038, which would create a pathway for establishing tuition-free higher education in California. Send a copy of the Resolution to Assemblymembers Tony Thurmond and Rob Bonta, State Senator Nancy Skinner, and Governor Jerry Brown.

BACKGROUND

Students who graduated college in the United States in 2016 have an average debt of \$37,172. Currently, student debt totals ~~at~~ \$1.3 trillion, making it the second largest debt category behind mortgage debt and above credit card and auto loans in the country. The cost of tuition and associated fees for UC Berkeley currently stands at \$14,068. This does not take into consideration an average cost of \$15,716 for room and board, the most expensive of any public university in the country. Including ~~over~~-living ~~cost~~ expenses, the total cost bill for attending UC Berkeley one year at UC Berkeley is \$34,400 per year.

According to a 2014 report by the Public Policy Institute of California (PPIC), in-state tuition for both the University of California and California State University systems have tripled over the past 20 years. This creates an insurmountable barriers for access to higher education for many families. Additionally, the PPIC identified that California needs an addition 1.1 million college graduates in the California workforce by 2030 to meet expected economic demands. With increasing costs to higher education, such a target may not be reached, jeopardizing future economic growth.

AB 1038, introduced by Assemblymember Rob Bonta, will develop a roadmap ~~to~~ have for all of California's public universities and colleges to be tuition free by 2030. More specifically, it would create a Blue Ribbon Commission to investigate ways to provide tuition free college, and report their findings by March 31, 2019.

FINANCIAL IMPLICATIONS

None

ENVIRONMENTAL SUSTAINABILITY

No adverse effects to the environment.

CONTACT PERSON

Jesse Arreguin, Mayor 510-981-7100

Attachments:

- 1: Resolution
- 2: Text of AB 1038

RESOLUTION NO. ##,###-N.S.

SUPPORT OF AB 1038 – TUITION FREE COLLEGE BY 2030

WHEREAS, the cost of tuition in the University of California and California State University systems has tripled over the past twenty years; and

WHEREAS, tuition at UC Berkeley costs \$14,068, with the total cost of attending the University being \$34,400 per year for undergraduates; and

WHEREAS, the average debt of 2016 college graduates is \$37,172; and

WHEREAS, student loans total \$1.3 trillion, and are now the second largest debt category behind mortgage debt and above credit card and auto loans; and

WHEREAS, the increasing cost of higher education creates insurmountable barriers for many families, especially low income, people of color, and immigrants; and

WHEREAS, California needs an additional 1.1 million college graduates by 2030 to match expected economic demands; and

WHEREAS, AB 1038, introduced by Assemblymember Rob Bonta, would develop a roadmap that would pave the way for tuition free education for California's public universities and colleges by 2030; and

WHEREAS, providing tuition free education will help underrepresented communities gain access to higher education and help California meet its economic demand for expected job growth that requires college degrees.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that it hereby supports AB 1038.

BE IT FURTHER RESOLVED that copies of this Resolution be sent to Assemblymembers Tony Thurmond and Rob Bonta, State Senator Nancy Skinner, and Governor Jerry Brown.

ASSEMBLY BILL

No. 1038

**Introduced by Assembly Members Bonta, Chiu, and Gomez
(Coauthor: Assembly Member Ting)**

February 16, 2017

An act to add and repeal Chapter 11.1 (commencing with Section 66910) of Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1038, as introduced, Bonta. Postsecondary education: higher education policy.

Existing law, the Donahoe Higher Education Act, sets forth the missions and functions of the 4 segments comprising the state's postsecondary education system. These segments are the University of California, administered by the Regents of the University of California, the California State University, administered by the Trustees of the California State University, the California Community Colleges, administered by the Board of Governors of the California Community Colleges, and independent institutions of higher education.

This bill would establish the 9-member Blue Ribbon Commission on Public Postsecondary Education, and specify its membership and duties. The bill would require the commission to publish a report on designated subjects and submit this report to designated governmental entities by March 31, 2019. The bill would require the Office of the Blue Ribbon Commission on Public Postsecondary Education to close on June 30, 2019, and would repeal the provisions of the bill on January 1, 2020. The bill would require, upon that repeal, all of the documents and

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working papers of the commission to become the property of the State Archives.

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

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) More universal participation in postsecondary education in
4 California is of vital public interest to ensure an informed citizenry,
5 a functional democracy, a vibrant workforce, and a leading 21st
6 century economy.

7 (b) Communities of color now comprise the new majority of
8 California high school pupils. As cited by the University of
9 California in an amicus brief filed in *Fisher v. University of Texas*,
10 in 2012 high school graduates were 46.2 percent Latino, 30.5
11 percent white, 13.6 percent Asian or Pacific Islander, 6.7 percent
12 African American, and 0.7 percent Native American.

13 (c) Despite outreach programs and other efforts, historically
14 disadvantaged groups remain underrepresented. These groups
15 include communities of color, immigrants, LGBTQ students,
16 individuals from low-income and working class communities, and
17 others with unique needs.

18 (d) Long-term trends with tuition increases across California's
19 public four-year universities have made college less affordable.
20 Resident tuition and fees at the University of California (UC) and
21 California State University (CSU) have risen by 139 percent and
22 157 percent, respectively, from the 2003–04 academic year to the
23 2013–14 academic year, inclusive. These increases are significantly
24 higher than 91 percent, which is the national average for public
25 four-year universities over the same time period, according to the
26 California State University, Sacramento, Institute for Higher
27 Education Leadership and Policy.

28 (e) The full price of college beyond tuition, including the costs
29 of books, room and board, and other expenses, is a significant
30 barrier and burden for students from low- and middle-income
31 families. According to the Public Policy Institute of California, in
32 2011–2012, the average nontuition cost of attending UC was

1 \$17,264, or 57 percent of the total cost, and the average nontuition
2 cost of attending CSU was \$12,781, or 66 percent of the total cost.

3 (f) California's Master Plan for Higher Education was submitted
4 to the Legislature in 1960. The Master Plan was developed to
5 provide a thoughtful statewide framework for higher education
6 and sought to ensure universal access to higher education. This
7 latter goal made California unique among the states and led to the
8 creation of the most prominent higher education system in the
9 nation and the world, a model that was replicated and revered.
10 Undergirding this system and essential to its success was the
11 commitment of California's investment. Today, that commitment
12 has changed as state resources that could have been made available
13 for higher education have increasingly been dedicated to
14 incarceration. According to the Public Policy Institute of California,
15 from 2003 to 2010, inclusive, California's prison population grew
16 only 1 percent, while general fund expenditures on corrections
17 increased by 26 percent.

18 (g) The Public Policy Institute of California projects that the
19 state will fall short by about 1,100,000 college graduates who will
20 be in economic demand by 2030 if enrollment and graduation rates
21 do not increase, and that highly educated workers from outside
22 California are unlikely to fill this gap.

23 (h) Since 2012, when the California Postsecondary Education
24 Commission was defunded, California has lacked a coordinating
25 body for postsecondary education. The absence of such a body
26 has reduced the ability of the state to effectively develop long-term
27 plans for public postsecondary education and to fully engage with
28 the public in the development of such plans.

29 (i) The Governor has acknowledged the well-established need
30 for coordinating and guiding state higher education policy, and
31 has encouraged higher education stakeholders to explore alternative
32 ways to more effectively improve coordination and development
33 of higher education policy.

34 (j) Given this, and to ensure full and equitable accessibility to
35 higher and postsecondary education, California must create and
36 fund a Blue Ribbon Commission on Public Postsecondary
37 Education to develop a written plan to ensure that public
38 universities and colleges in California are tuition-free and
39 affordable to all students, including low-income and
40 underrepresented students, and have the capacity to provide

1 universal participation for all high school graduates by the year
2 2030.

3 SEC. 2. Chapter 11.1 (commencing with Section 66910) is
4 added to Part 40 of Division 5 of Title 3 of the Education Code,
5 to read:

6
7 CHAPTER 11.1. BLUE RIBBON COMMISSION ON PUBLIC
8 POSTSECONDARY EDUCATION
9

10 66910. (a) There is hereby created the Blue Ribbon
11 Commission on Public Postsecondary Education. The purpose of
12 the commission is to make recommendations on improving access
13 to and affordability in postsecondary education for Californians.

14 (b) (1) There shall be nine public members of the commission,
15 who shall be California residents who are community leaders,
16 business leaders, and others knowledgeable in the area of
17 postsecondary education. The nine public members shall be
18 representative of the cultural, ethnic, racial, and geographic
19 diversity of the state. The members are as follows:

20 (A) Three members from the public appointed by the Governor.

21 (B) Three members from the public appointed by the Senate
22 Committee on Rules.

23 (C) Three members from the public appointed by the Speaker
24 of the Assembly.

25 (2) The Governor may designate any one of the nine members
26 appointed to the commission to serve as temporary chairperson of
27 the commission for its first meeting. The first order of business of
28 the commission shall be to elect a permanent chairperson.

29 (c) Commission meetings are subject to the Bagley-Keene Open
30 Meeting Act (Article 9 (commencing with Section 11120) of
31 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
32 Code).

33 (d) Members of the commission shall serve without
34 compensation, but shall receive reimbursement for actual and
35 necessary expenses incurred in connection with the performance
36 of their duties as members.

37 (e) No person who is employed or retained by any public or
38 private postsecondary educational institution shall be appointed
39 to or serve on the commission. No person who is a spouse or
40 domestic partner of an employee, an officer, or retained by a public

1 or private postsecondary educational institution shall be appointed
2 to serve on the commission.

3 (f) (1) There shall be an office titled the Office of the Blue
4 Ribbon Commission on Public Postsecondary Education. The
5 office shall do all of the following:

6 (A) Implement the duties and directives of the commission.

7 (B) Consult with the higher education segments and
8 stakeholders, as appropriate, in the conduct of its duties and
9 responsibilities.

10 (2) The office may request and receive information necessary
11 to conduct its business, from the higher education segments, the
12 Department of Finance, the Legislative Analyst's Office, and the
13 Student Aid Commission.

14 (3) For purposes of this subdivision, "higher education
15 segments" means the segments described in Section 66010.95.
16 Higher education stakeholders include, but are not necessarily
17 limited to, postsecondary faculty, staff, and students, K-12
18 representatives, representatives of the business community,
19 representatives of labor, representatives of community-based
20 organizations, and nonprofit organizations.

21 (g) (1) The office shall be established in state government, and
22 shall be under the direct control of an executive director.

23 (2) The commission shall appoint the executive director at a
24 salary that shall be fixed pursuant to Section 12001 of the
25 Government Code.

26 (3) The commission shall select and designate a state
27 administrative agency to carry out the personnel, contractual, and
28 all other fiscal services required by the commission.

29 (h) The duties of the commission shall include, but need not be
30 limited to, the review of relevant reports by the University of
31 California, the California State University, the Board of Governors
32 of the California Community Colleges, the Student Aid
33 Commission, the Department of Finance, the Legislative Analyst's
34 Office, foundations or nonprofit organizations, the California
35 Postsecondary Education Commission, or any other reports the
36 commission deems appropriate.

37 (i) The commission shall conduct a series of at least 10 public
38 hearings specifically focused on the needs of and seeking input
39 from African Americans, Native Americans, Latinos, Asian
40 Americans, Pacific Islanders, boys and men of color,

1 undocumented immigrants, LGBTQ students, and other
2 underserved or underrepresented groups in public postsecondary
3 education. The hearings shall be held in geographically diverse
4 regions of the state to solicit testimony of individuals, public
5 interest groups, alumni organizations, or any other interested
6 private groups and organizations as well as professors,
7 administrators, students, representatives from historically
8 underrepresented groups in public higher education, and others
9 who are directly affected for the purpose of soliciting the input of
10 these groups in the formulations of the commission's
11 recommendations.

12 (j) In addition, the commission shall, at a minimum, study,
13 analyze, issue written recommendations, and report to the
14 Legislature and to the Governor on all of the following:

15 (1) Establishing the need to create a public postsecondary
16 education system that ensures universal access with the capacity
17 to support universal participation of all high school graduates in
18 California.

19 (2) Identifying the current enrollment capacity in public
20 postsecondary education as compared to the enrollment capacity
21 needed in public postsecondary education to ensure universal
22 access and universal participation for all high school graduates in
23 California.

24 (3) Identifying the enrollment slots needed to ensure the state's
25 public postsecondary education system can graduate an additional
26 1,100,000 California residents by 2030 to meet the economic
27 demands of the state.

28 (4) Determining the number of additional campuses needed, if
29 any, in each of the public postsecondary education segments to
30 accommodate the additional enrollment demands described in
31 paragraphs (1) to (3), inclusive. The commission shall consider
32 geographic areas of the state where a significant demand for public
33 postsecondary educational services is not being met by current
34 campuses and programs.

35 (5) Ensuring that enrollments in public postsecondary
36 institutions reflect the ethnic and racial diversity of California high
37 school pupils and high school graduates. The commission shall
38 identify admission criteria, student outreach, student preparation,
39 student retention, and other mechanisms that can promote this
40 diversity.

1 (6) Ensuring equity for historically disadvantaged and
2 underrepresented groups that include, but are not limited to,
3 communities of color, documented and undocumented immigrants,
4 individuals from low-income and working-class backgrounds,
5 LGBTQ people, and others with unique needs.

6 (7) Determining the amount of increased investments in public
7 postsecondary education necessary to support a mission of
8 universal access and participation of all Californians. The increased
9 investments shall take into account the additional resources needed
10 to support the recommendations pursuant to paragraphs (2) to (6),
11 inclusive. These recommendations shall identify expenditure
12 requirements to support this objective and recommend additional
13 revenue sources to finance this mission.

14 (8) The resources required to create an affordable and
15 tuition-free education system in the California public postsecondary
16 environment, with a first priority on supporting those students with
17 the lowest incomes and least financial resources. This task shall
18 include an analysis of not only tuition and fees, but a focus on
19 additional college costs, such as books and supplies, food, housing,
20 transportation, loan fees, child and dependent care, and other costs.
21 The analysis shall incorporate the availability of federal, state, and
22 campus-based financial aid efforts to offset these additional college
23 costs to determine the extra resources needed to support all
24 low-income and underrepresented California resident students.

25 (k) The commission shall publish its report by March 31, 2019.
26 The report shall be transmitted to the fiscal and education policy
27 committees of the Legislature, the Regents of the University of
28 California, the Trustees of the California State University, the
29 Board of Governors of the California Community Colleges, the
30 Director of Finance, and the Governor. Copies of the report shall
31 be posted on the Governor's Internet Web site.

32 (l) The office shall close no later than June 30, 2019.

33 66911. This chapter shall remain in effect only until January
34 1, 2020, and as of that date is repealed, unless a later enacted
35 statute, that is enacted before January 1, 2020, deletes or extends
36 that date.

37 SEC. 3. Upon the repeal of Section 66910 of the Education
38 Code, all of the documents and working papers of the Blue Ribbon

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- 1 Commission on Public Postsecondary Education shall become the
- 2 property of the State Archives.

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