An act to add Article 4 (commencing with Section 78050) to Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code, relating to community colleges.

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

SECTION 1. Article 4 (commencing with Section 78050) is added to Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code, to read:

Article 4. Zero-Textbook-Cost Associate Degree Grant Program

- 78050. This act shall be known, and may be cited, as the Zero-Textbook-Cost Associate Degree Grant Program.
- 78051. The Zero-Textbook-Cost Associate Degree Grant Program is hereby established to reduce the overall cost of education for students and decrease the time it takes students to complete degree programs offered by community colleges.
- 78052. (a) It is the intent of the Legislature that community college districts develop and implement zero-textbook-cost degrees to reduce the overall cost of education for students and decrease the time it takes students to complete degree programs.
 - (b) For purposes of this section, the following terms have the following meanings:
 - (1) "Chancellor" means the Chancellor of the California Community Colleges.
- (2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.
 - (3) "Degree" means a zero-textbook-cost degree.
- (4) "Open educational resources" means high-quality teaching, learning, and research resources that reside in the public domain or have been released pursuant to an intellectual property license that permits their free use and repurposing by others,

and may include other resources that are legally available and free of cost to students. Open educational resources include, but are not limited to, full courses, course materials, modules, textbooks, faculty-created content, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge.

- (5) "Zero-textbook-cost degrees" means community college associate degrees or career technical education certificates earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies, including open educational resources.
- (c) Of the funding appropriated in the annual Budget Act to develop and implement degrees, the chancellor shall distribute grants of up to five hundred thousand dollars (\$500,000) to a community college district for each degree developed and implemented within the district that contributes to the overall elimination of textbook costs for students and aligns with the conditions for receipt of funds specified in subdivision (d). The chancellor's office shall ensure that a grant does not result in the development or implementation of duplicate degrees for a subject matter to avoid duplication of effort and ensure the development and implementation of the greatest number of degrees for the benefit of the greatest number of students. The chancellor's office may distribute the grants in phases, including a planning phase and an implementation phase.
- (d) As a condition of receiving funding appropriated in the annual Budget Act to develop and implement degrees, a community college district shall comply with all of the following:

- (1) Develop and implement a degree from an existing associate degree for transfer, develop and implement a career technical education certificate program, that has high value in the regional market, as a zero-textbook-cost certificate program, or establish a zero-textbook-cost certificate program from an existing certificate program.
- (2) In complying with paragraph (1), give priority to developing and implementing a degree from an existing degree for transfer.
 - (3) Develop and implement a minimum of one degree for each grant received.
- (4) Develop and implement a degree that other community college districts can use or adapt, and post each degree, and the contents of the degree, on the online clearinghouse of information established pursuant to Item 6870-101-0001 of the Budget Act of 2016, or a successor Internet Web site. All new open educational resources developed and available that are adopted as course material for a degree developed pursuant to this section shall be added to the California Digital Open Source Library established in Section 66408.
- (5) Ensure that the degree developed and implemented is clearly identified in college catalogs and in class schedules.
- (6) Provide the chancellor with all planning and outcome information that the chancellor determines necessary.
- (7) Consult with the local academic senate of a college that would implement a degree.
- (8) Use a multimember team approach, to develop and implement a degree pursuant to this section, that includes faculty, college administrators, and other content-focused staff, including, but not limited to, librarians, instructional designers,

and technology experts, from either the campus that would implement the degree or other colleges of the community college system.

- (e) (1) The chancellor shall, by June 30, 2019, report to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the development and implementation of degrees, including, but not limited to:
- (A) The number of degrees developed and implemented within each district disaggregated by college.
 - (B) The estimated annual savings to students.
 - (C) The number of students who completed a zero-textbook-cost degree program.
 - (D) Recommendations to increase, expand, or improve the offering of degrees.
- (2) A report pursuant to paragraph (1) shall be submitted to the Legislature in compliance with Section 9795 of the Government Code.
- (f) (1) Of the funds appropriated in the annual Budget Act for this program, up to 10 percent of the appropriation may be allocated by the chancellor's office to contract with a community college district to administer this program.
- (2) The contract between the chancellor's office and the district shall reflect all of the following:
- (A) The programmatic and administrative responsibilities that will be delegated to the district, including the programmatic requirements identified in subdivisions (c), (d), and (e).
- (B) A requirement that the contracting district provide prebid conferences, either in person or via webinar, for interested grant applicants.
 - (C) Technical assistance to grant applicants and grantees.

- (3) The contracting district may apply for, and receive, a grant to develop and implement a degree and have employees and administrators of the district participate as part of a multimember team approach pursuant to paragraph (8) of subdivision (d). To be eligible to receive a grant, the district shall maintain appropriate and transparent internal controls and processes to ensure that the district's contracted duties and responsibilities are clearly delineated, identified, and distinguished from the duties and responsibilities conferred upon the district as a grant applicant and recipient.
- (4) Upon request of the chancellor's office, the contracted district shall provide the chancellor's office with an update on the status of the development and implementation of each degree within the district.
- (5) Notwithstanding any other law, a contract between the chancellor's office and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code for the limited purpose of administering the program pursuant to this subdivision.
- (g) Of the funds appropriated in the annual Budget Act for this program, funds not awarded in the 2016–17 fiscal year may be awarded in the 2017–18 fiscal year.
- (h) The chancellor's office shall award an initial round of grants no later than January 1, 2017.

LEGISLATIVE COUNSEL'S DIGEST

Bill No.
as introduced,
General Subject: Community colleges: zero-textbook-cost associate degree programs.

Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. The board appoints a chief executive officer known as the Chancellor of the California Community Colleges. Under existing law, community college districts are authorized, among other things, to maintain and operate campuses, employ faculty and other employees, and provide instruction to students.

This bill would establish the Zero-Textbook-Cost Associate Degree Grant Program, which would require the chancellor to award grants to community college districts that meet specified criteria for developing and implementing associate degrees and career technical education certificate programs earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies. The program would require the chancellor, by June 30, 2019, to report to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the development and implementation of these degrees, and would authorize the allocation of a portion of the funds appropriated in the annual Budget

Act for the program so that the chancellor's office may contract with a community college district to administer the program.

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