

# No UC tuition increase under California Senate Dems' funding plan

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Tuition at the University of California would stay flat, Cal State students would get paid to finish faster and both university systems would add more classes and expand the number of students they enroll under a plan Democrats in the state Senate unveiled Tuesday.

The multifaceted higher education funding proposal from Senate leader Kevin de León comes weeks after UC President Janet Napolitano threatened to raise tuition at the state's premier university system if the state doesn't give UC more money. UC's governing board voted last month to hike tuition by 5 percent a year for each of the next five years unless lawmakers come through with bigger funding increases than previously promised.

The Senate Democrats' plan does that – and then some – providing money not only to wipe out the UC tuition hike but also to create more classes, give out more Cal Grant scholarships and write checks to California State University students who stay on pace to graduate in four years. It would also fund spots for 5,000 more students to attend UC and 10,500 more students to enroll at CSU campuses.

“Every student in California deserves a shot at pursuing a college degree. The future of California's economy simply depends on it,” de León said in announcing the plan during a news conference in his Capitol office.

It was the latest move in what's become a highly political duel over how to pay for higher education in California. De León's counterpart in the Assembly, Speaker Toni Atkins, elaborated on her vision the day before, suggesting from the Assembly dais that UC should be subject this year to “zero-based budgeting.” That would require university officials to justify each item in their budget, rather than assuming they'll get at least the same amount as the year before.

Last month, Gov. Jerry Brown clashed publicly with UC's governing board, telling regents at their meeting in San Francisco that they ought to cut costs instead of raising tuition. Brown said their plan to raise tuition broke with his plan to give the universities 4.5 percent average annual budget increases in exchange for an extended tuition freeze.

De León's plan calls for more funding for higher education than Gov. Jerry Brown has so far been willing to give, setting up more potential conflict as budget negotiations unfurl over the next several months.

It also calls for unraveling a scholarship program for middle-class students that was a signature accomplishment of former Assembly Speaker John A. Pérez, a political rival of de León's who was recently appointed to the UC Board of Regents.

The middle-class scholarship program provides about 70,000 students this year with grants averaging about \$900, according to Senate staff members. The Senate's plan would stop funding new students for those grants in 2015-16 and instead shift the money to fund higher education more broadly, including adding more courses and providing more advising.

“We're taking a closer look to decide how we can use those dollars more wisely,” Sen. Mark Leno, D-San Francisco, said during the news conference with de León.

In addition to pulling \$102 million next year from the middle-class scholarship program, the Senate Democrats' plan calls for a \$156 million boost in general fund spending on higher education and a 17 percent increase on the tuition students from outside of California pay to attend UC.

Out-of-state and international students currently pay \$35,070 in annual tuition, compared with the \$12,192 paid by California residents. (Those figures do not include room, board and books.) De León's plan would hike tuition for non-Californians by about \$4,000 a year.

"The question is: how much more can it go up?" said John Aubrey Douglass, a research fellow at UC Berkeley's Center for Studies in Higher Education.

Students from outside of California are already paying close to what private elite universities charge, Douglass said.

Brown's call for a tuition freeze applied to both in-state and out-of-state tuitions, said H.D. Palmer, spokesman for Brown's Department of Finance.

"The next statement the governor will make about the budget for higher ed will be when he submits his budget to the Legislature next month," Palmer said.

Brown has called for the universities to come up with new ways to get more students to graduate on time, a persistent problem at CSU campuses, where many students arrive poorly prepared to do college-level work and also support themselves while they study. Students have also struggled to get the classes they need to graduate. Right now 51.4 percent of CSU freshmen and 71.6 percent of transfer students graduate within six years.

That problem is addressed in the Senate Democrats plan, with an unusual proposal to create a series of financial incentives for CSU students who stay on pace to graduate in four years. Students would be paid "completion incentive grants" of \$1,000 if they complete 30 units by the end of their first year, \$1,500 for completing 60 units by the end of their second year and \$2,000 for completing 90 units by the end of their third year.

"If students take 15 units per semester, they will get out in four years instead of six years and save about \$60,000 compared to the typical six-year student," said Sen. Marty Block, the San Diego Democrat who is carrying Senate Bill 15, which lays out the plan.

"It will make their completion more certain, it will make their college education more affordable and by finishing two years earlier ... most importantly, they add to the workforce."

The proposal gives UC and CSU \$25 million each to offer more classes to help students graduate on time, and an additional \$50 million each to boost advising and other support services.

The incentive grant proposal drew applause from higher education advocates who have long said California colleges need to improve their graduation rates.

"We can't just provide access to college. We need to do a better job ensuring that more students are completing college and doing it in a timely fashion," said Jessie Ryan, executive vice president of the Campaign for College Opportunity.

"We are very heartened by the proposal to improve on-time degree completion. That's an important step in the right direction."

Leaders of the university systems issued statements offering cautious optimism about the latest proposal. Napolitano said it was a "promising first step" while CSU Chancellor Timothy White called it "encouraging."

"The announcement (Tuesday) acknowledges the critical need to develop and sustain a well-educated California citizenry to fuel California's economy today and in the decades ahead," White's statement says.

Legislative Republicans, who have called for tuition freezes as long as Proposition 30 tax increases are in place, said they were glad to see the Democrats who control the Legislature come out with plans to stave off tuition hikes. Ultimately, though, the Legislature can't control UC's decisions.

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