

Date of Hearing: April 18, 2017

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 990 (Rodriguez) – As Amended March 27, 2017

SUBJECT: Public postsecondary education: California State University: University of California: estimates of off-campus housing costs

SUMMARY: Requires the California State University (CSU) campuses, and requests University of California campuses, to annually post on their respective websites the cost of a one-bedroom apartment in the area surrounding the campus. Specifically, **this bill:**

- 1) Makes legislative findings and declarations that reporting of off-campus housing costs by UC and CSU lacks uniformity and clarity, often seems unreflective of current market costs, and that having accurate information is essential, since housing costs are an important part of calculating a student's need for financial aid.
- 2) Requires each CSU campus, by February 1, 2018 and annually thereafter, to post on the campus website information about the market cost of a one-bedroom apartment in the area surrounding the campus where students commonly reside.
- 3) Requires the campuses, in reporting the above, to consult bona fide and reliable sources of current information about local housing market costs, as specified.
- 4) Requests each UC campus to comply with the above requirements.

EXISTING LAW:

- 1) Provides that statutes related to UC (and most other aspects of the governance and operation of UC) are applicable only to the extent that the UC Regents make such provisions applicable. (Education Code (EC) Section 67400.)
- 2) Confers upon the CSU Trustees the powers, duties, and functions with respect to the management, administration, and control of the CSU system. (EC Sect. 66606.)

FISCAL EFFECT: Unknown

COMMENTS: *Purpose.* The author observes that students and parents need complete and accurate information to make a fully-informed decision about which college to attend. A major consideration, as students and parents evaluate their budgets and also explore financial aid options, is the expected costs, including for tuition, books, housing and food. The author notes that most CSU and UC campuses post cost of attendance estimates on their websites, including the estimated cost of housing to live off-campus. According to the author, however, "there is no clear information available to students on how that information is obtained; what type of living situation it applies to and what timeframe the estimate covers. Equally as concerning, the estimated cost to live off-campus in many cases does not seem to accurately reflect local market value."

The author cites the following examples: "The University of California Berkeley website states that a student should budget only \$7,546 to live off-campus. A 2015 study by Trulia found that it would cost \$12,375, assuming two people shared a two bedroom apartment for nine months. California State University East Bay estimates students should spend \$13,884 whereas CSU Bakersfield estimates off-campus housing costs to be \$13,780; a difference of only \$104 in vastly different housing markets."

AB 990 is intended to give prospective UC and CSU students an idea of the potential rental costs for a one-bedroom apartment close to each campus, based on current rental market conditions. To ensure this information is timely, the information would be updated annually, by February 1 of each year—just prior to the time when many students and their families are involved with college selection. The information would be displayed on the same location on the campus website where the estimated costs of attendance, which includes room and board as well as tuition and fees, books and supplies, transportation, and miscellaneous expenses, are itemized.

Current UC/CSU Practices. UC distributes a Cost of Attendance Survey every three years to a random sample of UC students to ask them about their actual indirect costs. Those survey responses are used to inform campus-specific student budgets. The most recent survey was released in February, and is based on responses from over 14,000 students.

CSU determines student budgets using data from the Student Expenses and Resources Survey (SEARS) from 2006-07 and adjusting for inflation. Each CSU Campus is encouraged to conduct regular assessments of expenses students incur.

Related Legislation. AB 1064 (Calderon), pending in this committee, requires CSU to conduct a cost of attendance survey every three years.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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