

Date of Hearing: June 24, 2014

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Das Williams, Chair
SB 1022 (Huff) – As Amended: June 16, 2014

SENATE VOTE: 36-0

SUBJECT: Public postsecondary education: labor market outcome information.

SUMMARY: Requires the California State University (CSU) and requests the University of California (UC) to provide publicly graduate salary data. Specifically, this bill:

- 1) Expresses Legislative intent that the impact of public postsecondary education on the employment and earnings of students be made publicly available to students and families consistently across the segments.
- 2) Requires the CSU and requests the UC to publicly provide labor market prematriculation and outcome information relating to graduates. Data shall include salary data and the percentage distribution of graduates, classified by industry from, among other potential sources, the Employment Development Department (EDD).
- 3) Requires the data to:
 - a) Be presented in terms of easily understood labor market measures, such as median annual wage;
 - b) Be aggregated to the system wide level and by particular areas of study;
 - c) Be sorted by category that, at a minimum, provides data six years prior to graduation, and one or two years, and five years, after their graduation and encourages CSU and UC to additionally provide data for periods longer than five years after graduation;
 - d) Adhere to all state and federal privacy laws, in collection and publication of data.
- 4) Requires the information to be made publicly available on the segment internet websites and updated no later than June 1 of each year.

EXISTING LAW Requires EDD to permit the use of information for the purposes of, among other allowances, enabling the Chancellor of the California Community Colleges (CCC), the State Department of Education, CSU and UC to obtain quarterly wage data on students to:

- 1) Assess the impact of education on employment and earnings of students;
- 2) Conduct annual evaluations of district-level, individual college or system performance in achieving priority educational outcomes; and
- 3) Submit required reports to the Legislature and Governor.

Existing law also requires that the information from EDD be provided to the extent permitted by federal statutes and regulations.

FISCAL EFFECT: According to the Senate Appropriations Committee: one-time costs of up to \$100,000 for CSU to collect and publish data by June 1, 2016, and annual minor workload increases thereafter; minor ongoing workload increase for UC; and, potential workload to amend existing contracts between EDD and UC/CSU that would be minor and absorbable to EDD.

COMMENTS: CCC Salary Surfer. In 2013, the CCC Chancellor's Office began making available to students and families comparative information about the earnings of recent graduates who received an award in a specific program area at CCCs. To accomplish this, community college student records from the Chancellor's Office Management Information system are joined with California Employment Development Department wage records. The Salary Surfer uses the aggregated earnings of graduates from a five year period to provide an estimate on the potential wages to be earned two years and five years after receiving a certificate or degree in certain disciplines. The information is displayed on a searchable website hosted by the CCC Chancellor's Office.

Purpose of this bill. According to the author, giving students a picture of college graduate salary earnings and industry placement will allow students to make thoughtful, data-driven decisions about where and what they want to study. Current law authorizes public higher education institutions to access this data, but does not require CSU and UC to provide students with outcome information. As a result, students are not able to take market data into consideration when selecting an area of study. This bill will require CSU and request UC to provide salary and employer industry data of student graduates.

What about private institutions? Private institutions, most of whom receive public funding through participation in student aid programs, are not covered by the provisions of this bill. However, existing law does appear to provide the Bureau for Private Postsecondary Education (Bureau) authority to obtain some wage data from EDD for purposes of ensuring compliance with existing laws governing private postsecondary education. Institutions regulated by the Bureau are currently required to provide self-reported employment and wage data of graduates. The Bureau posts this institutional student outcome information on the Bureau website; however, Committee staff understands that the Bureau does not currently verify the data – this raises questions regarding the reliability of reported data. Moving forward, the author and committee may wish to consider whether it would be appropriate to expand these disclosure requirements, and the EDD data match, to include graduates of independent and for-profit institutions.

REGISTERED SUPPORT / OPPOSITION:

Support

Associated Students, Incorporated; California State University Long Beach
California Edge Coalition
California State Student Association
California State University
Campaign for College Opportunity
Coalition for Humane Immigrant Rights of Los Angeles
La Verne Chamber of Commerce

Los Angeles Area Chamber of Commerce
Los Angeles County Economic Development Corporation
North Bay Leadership Council
Orange County Business Council
Regional Economic Association Leaders Coalition
San Jose/Silicon Valley Chamber of Commerce
San Jose State University Lobby Corps
Silicon Valley Leadership Group
SIA Tech
Southern California College Access Network

Opposition

None on file.

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