

Date of Hearing: March 13, 2018

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 1961 (Choi) – As Introduced January 30, 2018

SUBJECT: Postsecondary education: student housing and meal plans

SUMMARY: This bill (a) requires each public and private higher education institution, as a condition of receiving any state funds for student financial assistance, to list separately the costs of institutionally-operated student housing and meal plans on all relevant websites and documents provided to inform students of such costs and (b) prohibits such institutions from requiring a student to have a campus meal plan as a condition of living in institutionally-operated housing.

EXISTING LAW:

- 1) Authorizes the establishment and maintenance of student housing facilities at any California State University (CSU) campus. (Education Code (EC) Sect. 90000.)
- 2) Under the State University Revenue Bond Act of 1947, authorizes the CSU Board of Trustees to construct operate and control certain facilities, including student housing and boarding facilities, and to establish charges for use of such facilities. (EC Sect. 90010 et seq.)
- 3) Under the University of California (UC) Dormitory Revenue Bond Act of 1947, authorizes the UC Board of Regents to construct operate and control certain facilities, including student housing and boarding facilities, and to establish charges for use of such facilities. (EC Sect. 92400 et seq.)

FISCAL EFFECT: Unknown

COMMENTS: *Purpose.* The author has introduced this bill to increase transparency regarding the cost of college attendance and to increase student choice toward controlling students' total costs of education. According to the author's office, "There clearly exists in current practice a lack of financial transparency when it comes to the cost of living in campus provided housing. Not only are meal plans a required purchase on many campuses as a requisite for living in campus housing, but the costs of those meal plans are comingled with the costs of room and board on several university websites and materials provided to families. That lack of transparency and freedom of choice is to the detriment of students."

AB 1961 requires that housing costs and meal plan costs be presented separately to students and prohibits the state's public and private higher education institutions from requiring those students residing in housing operated by an institution to purchase a meal plan from the institution.

Based on a sample review of UC, CSU, and independent institution websites, some institutions already separately list housing and meal plan costs, while others do not. This provision of the bill does not appear problematic, and, where not currently in practice, would enhance the information provided to students and their families regarding college costs. There are concerns with the bill's other provision, as discussed below.

Concerns. While not yet taking a formal position on this bill, the segments expressed a variety of concerns.

CSU notes that some campuses contract out on a multi-year basis for food services. As these contracts have specified revenue guarantees, a reduction in meal plan use could create contract issues and/or could increase the cost of meal plans for other students. Noting that students living in dorms are not allowed to have hot plates or toaster ovens in their rooms for safety reasons, CSU questions how a student might get prepared meals similar in cost and nutritional value to those offered in dining halls, particularly for those campuses in more remote areas not close to grocery stores and other food options. CSU is also concerned about students simply going without a meal plan to save money, but becoming food insecure.

The Association of Independent California Colleges and Universities (AICCU) expressed similar concerns as CSU, and in particular noted that, for some schools, the amount of institutionally-operated housing is so small that if enough students opted out of a meal plan, the school might not be able to meet minimum guarantees to food service vendors.

UC believes that having a meal plan is in the best interests of its students with respect to their need for access to convenient, nutritious and affordable and high-quality food, particularly since on-campus students generally do not have access to facilities to prepare, cook or store foodstuffs. UC also expressed a concern regarding being able to separate meal plan costs from all other student housing-related costs.

The California Community Colleges notes that only nine of their 114 campuses have dormitories, with most being in remote areas not convenient to alternative food services.

Policy Issue. As outlined above, the segments offer some valid concerns with respect to prohibiting mandatory meal plans for students residing in campus-operated housing. On the other hand, providing students and their families with a choice in this matter, as argued by the author, is not an unreasonable approach. Students are, after all, young adults who face all kinds of other choices that come with adulthood. Practically speaking, given the convenience of purchasing a meal plan, the lack of adequate or safe food preparation facilities in dormitories, and the general lack of viable food service alternatives in proximity to student housing at many campuses, the vast majority of students housed on campus would likely elect to continue purchasing meal plans, even if given an option not to do so. It should be noted that, based on the sample of campus websites reviewed, students generally have a choice of meal plans, with costs varying by the number of meals purchased per week under each plan. In addition, even if this bill was enacted, institutions would not be prohibited from informing students – new students in particular - of the advantages of a meal plan.

Clarifying Amendment. To clarify that this measure applies to both universities and colleges, on page 2, lines 6, 9, and 13 replace the term "university-operated housing" with "institutionally-operated housing".

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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