

Date of Hearing: March 21, 2023

ASSEMBLY COMMITTEE ON HIGHER EDUCATION  
Mike Fong, Chair  
AB 607 (Kalra) – As Introduced February 9, 2023

**SUBJECT:** Public postsecondary education: course materials.

**SUMMARY:** Requires each campus of the California Community Colleges (CCC) and the California State University (CSU), and requests each campus of the University of California (UC), to prominently display the estimated costs for each course of all required materials, and fees directly related to said materials, for no less than 75% of the total number of courses on the online campus schedule. Specifically, **this bill:**

- 1) Requires each campus of the CCC and the CSU, and requests each campus of the UC, to prominently display, by means that may include a link to a separate internet web page, the estimated costs for each course of all required course materials and fees directly related to those materials, for no less than 75% of the total number of courses on the online campus schedule.
- 2) Defines “course materials” for purposes of this measure, to include digital or physical textbooks, devices such as calculators and remote attendance platforms, and software subscriptions.
- 3) Makes technical and clarifying changes to existing law.

**EXISTING LAW:**

*Federal law.*

- 1) Authorizes an institution of higher education to include the costs of books and supplies as part of tuition and fees if the institution does one of the following:
  - a) The institution does all of the following:
    - i) Has an arrangement with a book publisher or other entity that enables it to make those books or supplies available to students below competitive market rates;
    - ii) Provides a way for a student to obtain those books and supplies by the seventh day of a payment period; and,
    - iii) Has a policy under which the student may opt-out of the way the institution provides for the student to obtain books and supplies.
  - b) Documents on a current basis that the books or supplies, including digital or electronic course materials, are not available elsewhere or accessible by students enrolled in that program from sources other than those provided or authorized by the institution; or,
  - c) The institution demonstrates there is a compelling health or safety reason (Code of Federal Regulations, Title 34 Section 668.164).

- 2) Requires, when a publisher provides a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education receiving Federal financial assistance with information regarding a college textbook or supplemental material, the publisher shall include, with any such information and in writing (which may include electronic communications), the following:
  - a) The price at which the publisher would make the college textbook or supplemental material available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the price at which the publisher makes the college textbook or supplemental material available to the public;
  - b) The copyright dates of the three previous editions of such college textbook, if any;
  - c) A description of the substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any; and,
  - d) Whether the college textbook or supplemental material is available in any other format, including paperback and unbound; and, for each other format of the college textbook or supplemental material, the price at which the publisher would make the college textbook or supplemental material in the other format available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the price at which the publisher makes such other format of the college textbook or supplemental material available to the public (U. S. Code (U.S.C.) Title 20, Chapter 28, Subchapter I, Part C, Section 1015b).

*State law.*

- 1) Requires the CSU Trustees and the CCC Board of Governors, and requests the UC Regents to work with the academic senates to encourage faculty to give consideration to the least costly practices in assigning textbooks; to encourage faculty to disclose to students how new editions of textbooks are different from previous editions; and, the cost to students for textbooks selected, among other things. Current law also urges textbook publishers to provide information to faculty when they are considering what textbooks to order, and to post information on the publishers' Web sites, including "an explanation of how the newest edition is different from previous editions." Publishers are also asked to disclose to faculty the length of time they intend to produce the current edition and provide faculty free copies of each textbook selected (Education Code (EC) Section 66406).
- 2) Establishes the College Textbook Transparency Act, which, in part:
  - a) Defines "textbook" as a book that contains printed material and is intended for use as a source of study material for a class or group of students, a copy of which is expected to be available for the use of each of the students in that class or group, specifying that "textbook" does not include a novel;
  - b) Defines "adopter" as any faculty member or academic department or other adopting entity at an institution of higher education responsible for considering and choosing course materials to be used in connection with the accredited courses taught at that institution;

- c) Encourages adopters to consider cost as a factor when adopting a textbook; and,
  - d) Requires each campus bookstore at any public postsecondary educational institution to post in its store or on its Internet Web site a disclosure of its retail pricing policy on new and used textbooks (EC Section 66406.7).
- 3) Requires, effective January 1, 2018, each campus of the CCC and the CSU, and requests, effective January 1, 2018, each campus of the UC, to clearly highlight the courses that use digital course materials that are free of charge and have a low-cost option for printed versions; and, communicate to students that the course materials for said courses are free of charge and not required to be purchased (EC Section 66406.9).
- 4) Establishes the California Digital Open Source Library, administered by the CSU in coordination with the CCC, for the purpose of housing open source materials while providing Web-based access for students, faculty and staff to find, adopt, utilize, or modify course materials for little or no cost (EC Section 66408).
- 5) Establishes the California Open Education Resources Council and requires the council to be responsible for, among other things, developing a list of 50 strategically selected lower division courses in the public postsecondary segments for which high-quality, affordable, digital open source textbooks and related materials are to be developed or acquired (EC Section 66409).

**FISCAL EFFECT:** Unknown. However, according to the Assembly Committee on Appropriations fiscal analysis of AB 2624 (Kalra) of 2022, a measure virtually identical to this measure:

- 1) Significant ongoing General Fund (GF) costs, likely in excess of \$1 million for UC and CSU to post the required information. The CSU notes that course catalogues are usually published before faculty select materials, and compliance with this bill would require a “significant workload” to coordinate academic department staff, faculty, course scheduling staff, and IT staff to post the required information. The CSU estimates 0.5 to 1 personal years for each of its 23 campuses campus, for a system wide total cost of \$1.4 million to \$2.8 million per year.
- 2) Unknown, potentially significant ongoing Proposition 98 (GF) costs to the CCCs.

**COMMENTS:** *Higher Education Opportunity Act (HEOA) Textbook Provision.* The HEOA Textbook Provision, in part, referenced in the "Existing Law" section of this analysis, went into effect on July 1, 2010.

The purpose of the HEOA Textbook Provision is to ensure that students have access to affordable course materials by decreasing costs to students and enhancing transparency and disclosure with respect to the selection, purchase, sale, and use of course materials. Additionally, the HEOA Textbook Provision seeks to encourage all of the involved parties, including faculty, students, administrators, institutions of higher education, bookstores, distributors, and publishers, to work together to identify ways to decrease the cost of college textbooks and supplemental materials for students while supporting the academic freedom of faculty members to select high quality course materials for students.

*Course materials.* College students, on average, spent less on their course materials during the 2021-2022 academic year (AY) even though they took more courses and acquired a slightly greater number of materials, according to the *Student Watch: Attitudes and Behaviors Toward Course Materials: 2022 Report, the National Association of College Stores'* (NACS) annual survey of college students.

According to NACS, the total course material spending fell to \$339 per student for the year, the lowest amount since NACS began tracking student spending in 1998 and less than half the spending in 2007-2008 when students paid \$701 on average for course materials.

Further, the NACS student survey found that in AY 2021-2022, more college students acquired course materials through an inclusive access (IA) program, also known as instant access or day-one access. (Inclusive access provides students with their course materials, usually in digital format, on the first day of class, at a discounted cost.) Thirty-nine percent obtained course materials through IA, compared to 33% the year before and 15% in AY 2018-2019.

Additionally, according to the NACS student survey, another factor that likely reduced college students' expenditures on course materials was that slightly more students (73% vs. 70% the previous AY) indicated that an instructor had assigned at least one course material that was either free or not directly paid for. Most (70%) of said course materials were provide to students through the campus learning management system, but other sources included, but were not limited to, instructor handouts, website articles, class notes, professional journals and articles, web searches, social media, general consumer books, and free textbooks. The survey noted that while students did not pay for the aforementioned course materials directly, some of the sources were supported by student tuition and fees, such as instructor-developed materials and journal subscriptions at the campus libraries.

Lastly, the NACS student survey found that around one in four students decided not to acquire at least one assigned course material; students who skipped buying or accessing course materials were also more likely to consider dropping out of the class and/or college altogether, suggesting these students were struggling with the total cost of attendance. However, students who skipped acquiring course materials were found to only spend \$24 less on average per year than students who obtained all course materials.

*Need for the measure.* According to the author, "Course material costs make up a significant portion of the costs of secondary education, especially at community colleges." The author contends that, "Unlike fees and tuition, course material costs are not fixed which makes it challenging for students to plan ahead."

The author states, "In recent years, the types of materials students are expected to purchase has widened to include digital homework platforms and other new technologies that are not captured by existing laws. AB 607 would close price transparency gaps by including these newer forms of course materials. The increased transparency will allow students to make informed decisions for course registration in a manner that works best for them financially."

Further, the author states, "A 2020 report by CSU Channel Islands examined a Hispanic Serving Institution (HSI) in Southern California and found that students from historically marginalized backgrounds pay more for textbooks than their peers. With all the costs students are expected to take on when pursuing higher education, further cost transparency and ability to plan ahead can

especially benefit students from disadvantaged backgrounds as they strategize how best to account for financial aid awards or income from a minimum wage job.”

This measure, in part, requires the CCC and CSU and requests each campus of the UC, to prominently display the estimated costs for each course of all required course materials, and fees directly related to those materials, for no less than 75% of the total number of courses on the online campus schedule.

*Committee comments.* Committee Staff understands that at the CCC, entire academic departments traditionally collaboratively choose and select their course materials. This appears to be in part, because the majority of courses offered at the CCC are general education or introduction to specific discipline courses. Course materials traditionally are not too varied.

This measure appears to align with the priorities of the CCC Chancellors’ Office (CCCCO) Burden Free Instructional Materials Taskforce, which was convened following the CCCCCO’s July 2022 guidance on the Zero Textbook Cost (ZTC) Program.

The Legislature appropriated \$5 million in one-time funding in 2016 to pilot the ZTC Program. The Program, in part, provided grants to 34 colleges, creating 37 certificate and degree programs and 404 courses with no textbook costs, in a three-year timeframe. In 2021, the Legislature invested \$115 million in one-time funding for the ZTC Program.

However, according to the CCCCCO, there could be some situations whereby colleges publish their schedules for the upcoming academic term without finalizing faculty assignments. The CCCCCO believe that the 75% (as opposed to 100%) requirement contained in this measure, effectively addresses these niche cases.

Additionally, according to the CCCCCO, all course schedules will have been published in advance of January 1, 2024. Most students will have already signed up for their Spring 2024 courses.

*To ensure the CCC has adequate and sufficient time to publish the required information, the author may wish to delay the implementation of this measure until after the start of AY 2024 – 2025.*

Committee Staff understands that at the CSU and the UC, individual faculty, even within the same department, choose and select their course materials, not the entire department. Further, in order for the CSU and UC to be in compliance with the requirements prescribed by this measure, there will need to be a great deal of coordination between faculty and each academic department in order to ensure the required information is disseminated.

Moreover, with segments facing declining enrollment and the fluctuation in the courses offered, it is somewhat commonplace that faculty may not learn what their teaching load is, based on course demand, until days leading to the start of the semester or quarter. In some cases, the decision may not be reached until after the start of the semester or quarter.

*Moving forward, the author may wish to work directly with the CSU and UC in order to establish a method by which the 4-year segments can comply in a way that allows faculty members to maintain academic freedom in their course materials selection process, and yet disseminate timely and accurate information regarding course materials.*

*Further, while it appears that it may be more feasible to implement this measure at the CCC, moving forward, the author may wish to explore creating a pilot program at the CCC before mandating the provisions at the 4-year segments.*

Additionally, as currently drafted, the measure does not specify if the provisions contained in the measure apply to the selection of both undergraduate and graduate course materials. While it is assumed the provision applies only for the notification of undergraduate course materials, it is not explicitly stated.

*Moving forward, the author may wish to clearly articulate the intent of the measure; specifying to whom the provision of the measure applies.*

*Prior legislation.* AB 2624 (Kalra) of 2022, which was held on the Suspense File in the Assembly Committee on Appropriations, was virtually identical to this measure.

AB 2385 (Cunningham), Chapter 214, Statutes of 2018, in part, urges textbook publishers to post in a prominent location on the publishers' Internet Web sites, where it is readily available to college faculty, students, and departments, a detailed description of how the newest textbook edition differs from the previous edition.

SB 727 (Galgiani) of 2017, which was left on the Inactive File on the Senate Floor, in part, would have authorized a public postsecondary educational institution to adopt policies that allow for the use of innovative pricing techniques and payment options for textbooks and other instructional materials.

SB 1359 (Block), Chapter 343, Statutes of 2016, in part, requires, effective January 1, 2018, each campus of the CCC and the CSU, and requests, effective January 1, 2018, each campus of the UC, to clearly highlight the courses that use digital course materials that are free of charge and have a low-cost option for printed versions.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Public Interest Research Group (CALPIRG)  
CALPIRG Students  
Faculty Association of California Community Colleges  
Michelson Center for Public Policy  
Student Senate for California Community Colleges

### **Opposition**

None on file.

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