
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

Bill No: AB 798
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Urgency: No
Consultant: Lenin Del Castillo
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Fiscal: Yes

Subject: College Textbook Affordability Act of 2015

SUMMARY

This bill establishes, until July 1, 2020, a state grant program to incentivize increased adoption of open educational resources at campuses of the California Community Colleges (CCC) and the California State University (CSU).

BACKGROUND

Existing law:

- 1) Requires the CSU Trustees and the CCC Board of Governors, and requests the Regents of the University of California (UC) to work with the academic senates to encourage faculty to give consideration to the least costly practices in assigning textbooks and to encourage faculty to disclose to students how new editions of textbooks are different from previous editions. Existing 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." In addition, publishers are 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 § 66406)
- 2) Creates the College Textbook Transparency Act which requires faculty members and academic departments at an institution of higher education to consider cost in the adoption of textbooks and also requires textbook publishers to disclose specified information. (EC § 66406.7)
- 3) 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 an internet web-based way for students, faculty, and staff to easily find, adopt, utilize, or modify course materials for little or no cost. Specifies that the CSU shall also act in coordination with the UC in administering the California Digital Open Source Library. (EC § 66408)
- 4) Establishes the California Open Educational Resources Council, composed of faculty leaders from the CCC, CSU, and UC, and administered by the Intersegmental Committee of the Academic Senates of these segments of public postsecondary education, or a successor group. Provides that the Council shall be responsible for the development of 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 shall be developed or acquired. (EC § 66409)

- 5) Requires, by January 1, 2020, publishers of textbooks used at the University of California (UC), California State University (CSU), and the California Community College (CCC), or private postsecondary educational institutions, to the extent practicable, to make textbooks available in whole or in part for sale in an electronic format and requires the electronic format to contain the same content as the printed version. (EC § 66410)

ANALYSIS

This bill:

- 1) Establishes the College Textbook Affordability Act of 2015 to reduce costs for college students by encouraging faculty to accelerate the adoption of lower cost, high-quality, open educational resources (OERs). Provides that faculty development shall be a key component of this initiative, and requires the initiative to utilize the resources identified, houses, produced, and otherwise found appropriate to the California Open Education Resources Council and the California Digital Open Source Library.
- 2) Establishes the Open Educational Resources Adoption Incentive Fund to provide incentives and rewards for campus and faculty efforts to accelerate the adoption of OERs for the purpose of reducing students' cost and improving access to quality materials.
- 3) Provides that moneys in the fund, upon appropriation by the Legislature, are to create and support faculty professional development, professional development for staff, OER curation activities, curriculum modification, and technology support for faculty, students, and staff.
- 4) Prohibits moneys in the fund from being used for direct compensation for faculty who adopt OERs or for purchasing new equipment.
- 5) Defines OERs as high-quality teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits their free use and repurposing by others, and may include other resources that are legally available and free of cost to students.
- 6) Authorizes campuses, upon adoption of a local resolution stating its intent to increase student access to high-quality OERs and in collaboration with students and the administration, to develop a plan that describes evidence of the campus' commitment and readiness to effectively spend grant money to support faculty adoption of OERs, as specified. The plan shall include three benchmarks focusing on reducing costs for students and increasing the adoption of high-quality OERs consisting of annual goals for three years.
- 7) Provides that a plan that demonstrates readiness requirements shall be given priority for approval, as specified, including concrete benchmarks that demonstrate

quantifiable outcomes to be achieved from its implementation, the utilization of available open educational resources (OERs), and an estimate of the amount of money to be saved per student.

- 8) Provides that each local campus may submit the resolution and plan to the California Open Education Resources Council for an initial grant.
- 9) Requires the California Open Education Resources Council to review the plan, and approve it if it meets the requirements, as specified. Provides that the plans shall be submitted and approved in one of two rounds, as specified, with up to 100 plans approved per year. Allows administrative support to be provided by COOL4Ed to the California Open Education Resources Council.
- 10) Limits an initial grant at \$10,000 and provides that each campus shall receive an annual bonus grant of up to \$10,000 for up to three years for meeting established performance benchmarks for accelerating usage of OERs in courses, as specified. Allows additional bonus grants if sufficient funds remain available in the Open Educational Adoption Incentive Fund after the first bonus grants for reaching the third benchmark are awarded.
- 11) Requires the bonus grants to be used for any, or some combination, of faculty professional development, professional development of staff, OER curation activities, curriculum modification, and technological support for faculty, students, and staff.
- 12) Requires a grant recipient to report to the California Open Education Resources Council as to whether its benchmarks have been reached to determine whether it is eligible for bonus grants, as specified.
- 13) Requires the Intersegmental Committee of Academic Senates to report to the Legislature before July of each year, commencing in 2018, as to whether the grants are increasing the rate of adoption of OERs and decreasing textbook costs for college students.
- 14) Provides that the bill's provisions shall become inoperative on July 1, 2020.
- 15) Authorizes the College Textbook Affordability Act of 2015 to be funded from the existing appropriation for the California Open Education Resources Council and the California Digital Open Source Library, as specified.
- 16) Specifies that moneys appropriated for purposes of the College Textbook Affordability Act of 2015 shall not be required to be matched by private funds.
- 17) Requires 25 percent of each grant awarded to a campus for purposes of this bill shall be matched by the campus and used by the campus to ensure administrative and faculty support of the campus' plan.
- 18) Specifies that money provided to a member of the California Open Education Resources Council for purposes of the council carrying out its duties shall not exceed \$3,000 total and shall be provided as a stipend. Provides that no additional money shall be provided for travel purposes.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author's office, "many students and families are struggling to pay for a college education. One part of this problem is the rising cost of textbooks. Every year, students pay around \$1,300 for textbooks as prices have increased at over three times the rate of inflation. The cost of textbooks comprises 40 percent of tuition at a two-year community college and 13 percent at a four-year public school. To afford these costs, students take on more debt, work more hours, or make choices that hinder their academic success." This bill is intended to save college students money by providing incentives for local campuses to adopt open educational resources (OERs) and reduce the cost of textbooks.
- 2) ***Open educational resources.*** OERs are educational materials that include textbooks, research articles, videos, assessments, or simulations that are either licensed under an open copyright license or are in the public domain. OERs provide no-cost access and no-cost permission to revise, reuse, remix, or redistribute the materials. According to a 2012 policy brief by the Center for American Progress and EDUCAUSE, digital OERs offer many advantages over traditional textbooks, such as allowing students and faculty to access textbooks and related materials for free online or the purchase of hardcopies that are more affordable than traditional textbooks. They also enable faculty to customize learning materials to suit their course objectives and can provide students with a more flexible set of tools that can contribute to a richer learning experience.

The California Open Education Resources Council reports that it has thus far selected the 50 courses, identified more than 150 appropriate OERs for said courses, developed a standardized peer review and approval process, and recruited faculty to conduct the reviews. As of March 2015, the California Open Education Resources Council reports that reviews are completed for 10 courses, involving 34 OER textbooks.

- 3) ***Cost of textbooks.*** According to the College Board, the average undergraduate student should budget between \$1,200 and \$1,300 for textbooks and supplies each year. That figure is as much as 40 percent of tuition at a two-year community college and 13 percent at a four-year public institution. A 2014 Student Public Interest Research Group study found that 65 percent of students skipped buying or renting a textbook because it was too expensive, and 94 percent of those students felt that in doing so, that would hurt their grade in a course. Additionally, almost half of the students reported that the cost of textbooks impacted how many courses they were able to take at a time.
- 4) ***Incentives for faculty.*** One could argue the bill is unnecessary since faculty already have the ability to adopt OERs. The author's office indicates that the main hurdles preventing the adoption of OERs include lack of time for faculty to develop them or to adapt their classes, lack of information on currently available OERs, and lack of technological support for faculty. According to a presentation by faculty and administrators working on the development and implementation of Multimedia Educational Resource for Learning and Online Teaching, professors are not adopting OERs quickly because they do not know what is available or believe it will

be difficult to do. The bill seeks to address these hurdles by leveraging existing funds to provide the time and support for faculty to adopt open educational resources (OERs). Specifically, the bill would provide yearly benchmark incentives to accelerate the rate of adoption at local campuses.

- 5) **Source of funding.** SB 1052 (Steinberg, Chapter 621, Statutes of 2012) established the California OER Council, to develop a list of 50 lower division courses across the three segments for which high-quality, affordable digital open source textbooks and related material shall be developed or acquired, to create and administer a review and approval process for open source materials, and to establish a competitive request-for-proposal process in which faculty members, publishers, and other interested parties would apply for funds to produce 50 high-quality, affordable, digital open source textbooks and related materials. An appropriation of \$5 million was provided for this effort, to be matched by nonstate funds. This bill proposes to utilize unspent funds from this appropriation for its purposes.
- 6) **Fiscal impact.** According to the Assembly Appropriations Committee, this bill would utilize approximately \$4 million in previously appropriated funds that remain available for implementation of SB 1052 and SB 1053 (Steinberg, Chapter 622, Statutes of 2012) for the purposes of this bill, including the California Open Education Resource Council's administrative costs.

7) **Related and prior legislation.**

SB 1052 (Steinberg, Chapter 621, Statutes of 2012) created the California Open Educational Resources Council to identify 50 courses where OERs could be created or identified in order to reduce costs for students.

SB 1053 (Steinberg, Chapter 622, Statutes of 2012) created the California Digital Open Source Library to provide OERs in one central location.

SUPPORT

Academic Senate for California Community Colleges
 California Community Colleges Chancellor's Office
 California State Student Association (sponsor)
 California State University
 Cerritos Community College District
 Community College League of California
 OpenStax
 TechNet

OPPOSITION

None received.

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