
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

Bill No: AB 990 **Hearing Date:** July 5, 2017
Author: Rodriguez
Version: March 27, 2017
Urgency: No **Fiscal:** Yes
Consultant: Lynn Lorber

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

SUMMARY

This bill requires each campus of the California State University (CSU), and requests each campus of the University of California (UC), to annually post on its website information about the market cost of a one-bedroom apartment in the areas surrounding the campus.

BACKGROUND

Existing law:

- 1) Requires, pursuant to federal law, the United States Secretary of Education to make publicly available on the College Navigator website specified information about each institution of higher education that participates in federal financial aid programs, among many other things, the cost of attendance for first-time, full-time undergraduate students who live on campus and for those who live off-campus. Existing regulations also require, for public institutions of higher education, information on those costs for residents and non-residents. (United States Code, Title 20, § 1015a)
- 2) Defines, pursuant to federal law, "cost of attendance" as:
 - a) Tuition and fees normally assessed, including costs for required equipment, materials or supplies.
 - b) An allowance for books, supplies, transportation, and miscellaneous personal expenses including a computer.
 - c) An allowance, as determined by the institution, for room and board costs, as specified.
 - d) For students enrolled less than half-time, tuition and fees and an allowance for specified costs.
 - e) Allowances for students who are engaged in work study, are incarcerated, have dependents or are disabled. (20 USC § 1087II)

- 3) Requires, pursuant to state law, the University of California (UC) to report biennially to the Legislature and the Department of Finance, by October 1 of each even-numbered year, on the total costs of education at the UC. (Education Code § 92670)
- 4) Requires the report to identify the costs of undergraduate education, graduate academic education, graduate professional education, and research activities. Existing law requires all four of these categories to be reported in total and disaggregated separately by specified disciplines. (EC § 92670)
- 5) Requires the costs to be reported on both a systemwide and campus-by-campus basis for any report submitted after January 1, 2017. Existing law requires a report prepared after January 1, 2017, to include information on costs, disaggregated by campus, based on the methodology developed by the National Association of College and University Business Officers in its February 2002 report, and other methodologies determined by the UC. (EC § 92670)
- 6) Requires the Regents of the UC and the Trustees of the California State University (CSU) to annually provide the Legislature, by February 1 of each year, with detailed information regarding expenditures of revenues derived from student fees and uses of institutional financial aid, and provide information regarding the systemwide average total cost of attendance per student. (EC § 66028.6)
- 7) Defines “cost of attendance” as the mandatory systemwide fees, books and supplies, room and board, transportation, and miscellaneous personal expenses for an undergraduate California resident student, as used in determining financial aid eligibility. (EC § 66028.1)

ANALYSIS

This bill requires each campus of the CSU, and requests each campus of the UC, to annually post on its website information about the market cost of a one-bedroom apartment in the areas surrounding the campus. Specifically, this bill:

- 1) Requires each campus of the CSU, and requests each campus of the UC, to post on its website, on or before February 1, 2018, and annually thereafter, information about the market cost of a one-bedroom apartment in the areas surrounding that campus where its students commonly reside.
- 2) Requires the campus, in reporting this information, to exercise due diligence, and consult bona fide and reliable sources of current information about local housing market costs, including but not limited to information received from students of that campus, local newspapers and bulletin boards, and Internet websites on which notices regarding local rental vacancies are posted.
- 3) Requires the information to be posted in the same location on the campus website where the housing cost estimates for off-campus students are posted.

- 4) States legislative intent to ensure that each campus of the California State University (CSU), and request each campus of the University of California (UC), provides the timely and accurate estimates of housing costs that its students need to plan for their educational futures.
- 5) States legislative findings and declarations relative to the need for accurate estimated housing costs for the calculation of a student's needs for financial aid.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, "When determining where to attend college, it is important for students and parents to have complete and accurate information to make fully informed decisions about which campus to attend. Costs of tuition, books, housing, and food are all important factors as students and parents evaluate their budgets and also explore financial aid options that are available. Most CSU and UC campuses post cost of attendance estimates on their websites, including estimated cost of housing to live off-campus. 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."
- 2) ***Student Expenses and Resources Survey (SEARS).*** SEARS was a triennial survey conducted by the California Student Aid Commission (CSAC) to assess the financial circumstances, attendance costs, and expenses of California's college students. This survey was carried out in cooperation with the California Community Colleges, the UC, the CSU, the Association of Independent California Colleges and Universities, and the California Association of Private Postsecondary Schools. CSAC administered this survey to students attending postsecondary educational institutions across the state. The survey contained questions that are considered "core" subjects, such as dependency status, expenses, resources, and housing arrangements. Due to budget constraints, the SEARS survey has not been conducted since 2006-07. The data currently available is based on the 2006-07 survey and is adjusted for inflation.
http://www.csac.ca.gov/pubs/forms/grnt_frm/studentexpensebudget.pdf

SEARS yielded data that accounted for costs and expenses across all systems of postsecondary education in California but was not system- or campus-specific and therefore did not account for regional differences in costs. According to CSAC's 2017-18 Student Budget Expense Budgets, the cost of off-campus housing per month is \$1,030.

- 3) ***College Navigator.*** Existing federal law requires the United States Secretary of Education to make publicly available on the College Navigator website specified information about each institution of higher education that participates in federal financial aid programs, among many other things, the cost of attendance for first-time, full-time undergraduate students who live on campus and for those who live off-campus. The College Navigator provides campus-specific data, and federal law defines "cost of attendance" to include allowances for housing. However, the author notes that federal statutes do not state *how* the cost of attendance is to be

established. <https://nces.ed.gov/collegenavigator/>

- 4) **Current Practices.** The California State University (CSU) determines student expenses using data from the 2006-07 Student Expenses and Resources Survey SEARS report and adjusts for inflation. The CSU publishes a summary of standard student expense budget, the annual Campus Cost of Attendance. <http://www.calstate.edu/SAS/costofattendance/documents/17-18COA.pdf> While this data is provided by campus, it is based on data that does not take regional costs into consideration and therefore results in data showing the cost of *food and housing while living off campus*, for example, as follows:
- a) \$14,502 at Channel Islands, Fullerton, Los Angeles, Northridge, San Francisco, San Jose and Sonoma.
 - b) \$13,923 at East Bay.
 - c) \$13,770 at San Bernardino.
 - d) \$13,500 at Dominguez Hills.
 - e) \$13,486 at Long Beach.
 - f) \$13,294 at Fresno and Sacramento.
 - g) \$13,293 at San Marcos.
 - h) \$13,292 at Monterey Bay.
 - i) \$13,134 at San Luis Obispo.
 - j) \$13,061 at Bakersfield.
 - k) \$13,016 at Humboldt.
 - l) \$12,761 at San Diego.
 - m) \$12,588 at Pomona.
 - n) \$11,900 at Stanislaus.
 - o) \$11,862 at Chico.

The University of California (UC) distributes a Cost of Attendance Survey every three years to a random sample of UC students to ask about their actual indirect costs. Those survey responses are used to inform campus-specific student budgets. The total cost of attendance, or student expense budget, includes tuition and fees, room and board, books and supplies, transportation, health care, and personal expenses. The most recent survey was released in February 2017, and is based on responses from over 14,000 students. According to the UC,

moving forward, this survey will be administered biennially rather than triennially. <http://regents.universityofcalifornia.edu/regmeet/mar17/a1attach.pdf>

University of California’s (UC’s) 2016 Cost of Attendance Survey: Average Off-campus Rent, by Number of Housemates and Campus

Number of housemates	None	One	Two	Three	Four
Systemwide	\$1,109	\$854	\$736	\$641	\$590
Berkeley	\$1,228	\$1,014	\$906	\$797	\$751
Davis	\$943	\$698	\$578	\$518	\$478
Irvine	\$1,107	\$938	\$776	\$653	\$578
Los Angeles	\$1,342	\$951	\$827	\$735	\$681
Merced	\$582	\$459	\$362	\$363	\$347
Riverside	\$780	\$645	\$552	\$543	\$512
San Diego	\$1,322	\$936	\$792	\$627	\$587
Santa Barbara	\$1,129	\$821	\$678	\$674	\$705
Santa Cruz	\$981	\$873	\$774	\$735	\$677

- 5) **Bill takes a different approach.** The California State University’s (CSU’s) cost of attendance estimates are based on student survey results from 2006-07 and adjusted for inflation. The UC’s cost of attendance estimates are based on student survey results. This bill requires campuses to consult bona fide and reliable sources of current information about local housing market costs, which may include information from students and other sources such as the Internet. The author notes that survey results can be misleading, do not always represent actual market costs, and often respondents to the survey are not representative of a diverse student population.

Information provided by the author’s office:

	Campus website	Annual cost based on Zillow search for one-bedroom apartment near campus
CSU, East Bay	\$13,884	\$20,124
San Jose State	\$13,882	\$28,112
San Francisco State	\$13,882	\$32,328
UC Los Angeles	\$10,653	\$30,966
UC Berkeley	\$7,546	\$36,060
UC Santa Barbara	\$6,558	\$20,580

- 6) **Related legislation.** AB 1064 (Calderon) requires the CSU to conduct a survey every three years at each campus to determine the average student’s annual discretionary expenses, excluding tuition and fees, to attend the campus. AB 1064 is scheduled to be heard by this Committee on July 5.

SB 307 (Nguyen) requests the UC to convene a task force, consisting of three representatives from the UC, CSU and California Community Colleges, selected

by the governing boards of each segment for the purpose of conducting a study to determine the extent, causes, and effects of housing insecurity and homelessness of current and future students.

SUPPORT

California State Student Association
University of California Student Association

OPPOSITION

None received

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