

AMENDED IN SENATE JULY 1, 2015
AMENDED IN ASSEMBLY JUNE 2, 2015
AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 798

Introduced by Assembly Member Bonilla

February 26, 2015

An act to amend Section 69999.6 of, and to add and repeal Part 40.1 (commencing with Section 67420) of Division 5 of Title 3 of, the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 798, as amended, Bonilla. College Textbook Affordability Act of 2015.

(1) Existing law establishes the segments of the postsecondary education system in the state, including the California State University, administered by the Trustees of the California State University, and the California Community Colleges, administered by the Board of Governors of the California Community Colleges.

This bill would establish 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, as defined.

The bill would create the Open Educational Resources Adoption Incentive Fund in the State Treasury to provide incentives and reward ~~campus and~~ *campus, staff, and* faculty efforts to accelerate the adoption of open educational resources. The bill would require that moneys in the fund be used by campuses to create and support faculty *and staff*

professional development, open educational resource curation activities, ~~faculty release time~~, *curriculum modification*, or technology support for ~~faculty~~ *faculty, staff*, and students, as specified. The bill would authorize the local academic senate of a campus of the California State University or the California Community Colleges to (1) adopt a local campus resolution, in collaboration with students and the administration, stating its intent to increase student access to high-quality open educational resources, and (2) upon adoption of the resolution, develop a specified plan that describes evidence of the campus's commitment and readiness to spend grant money from the fund to support faculty adoption of open educational resources. The bill would require the California Open Education Resources Council to review and approve ~~the resolution and the plan~~, and, if ~~they meet~~ *it meets* these and other specified requirements, would authorize *the respective segment office for the campus to award* an initial grant of up to \$10,000 to ~~a local campus of the California State University or the California Community Colleges~~ *the campus* from the fund. The bill would require additional bonus grants of up to \$10,000 to be distributed to participating campuses if certain benchmarks are met. *The bill would cap the number of plans that may be approved by the California Open Education Resources Council each award year at 100.* The bill would require a grant recipient to report to the California Open Education Resources Council as to whether its benchmarks have been reached ~~and to determine whether it is eligible for the bonus grants.~~ The bill would ~~also~~ require the ~~California Open Education Resources Council~~ *Intersegmental Committee of Academic Senates* to report to the Legislature before July 1 of each year, commencing in 2018, as to whether the grants are increasing the rate of adoption of open educational resources and decreasing textbook costs for college students.

The bill would make these provisions inoperative on July 1, 2020, and would repeal them as of January 1, 2021.

(2) Existing law appropriates, from specified funds, \$5,000,000 to the Chancellor of the California State University to fund, among other things, the establishment and administration of the California Open Education Resources Council and the California Digital Open Source Library. Existing law reverts any of this \$5,000,000 that is not 100% matched by private funds to a specified trust.

This bill would specify that those funds may be used for purposes of the College Textbook Affordability Act of 2015, and would specify

that funds appropriated for those purposes shall not be required to be matched by private funds.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 40.1 (commencing with Section 67420) is
2 added to Division 5 of Title 3 of the Education Code, to read:

3
4 PART 40.1. COLLEGE TEXTBOOK AFFORDABILITY ACT
5 OF 2015
6

7 67420. This part shall be known, and may be cited, as the
8 College Textbook Affordability Act of 2015.

9 67421. The College Textbook Affordability Act of 2015 is
10 hereby established to reduce costs for college students by
11 encouraging faculty to accelerate the adoption of lower cost,
12 high-quality, open educational resources. Faculty development
13 shall be a key component of this acceleration initiative. This
14 initiative shall use, in addition to any other appropriate resources,
15 those identified, housed, produced, and otherwise found appropriate
16 pursuant to the California Open Education Resources Council
17 established in Section 66409 and the California Digital Open
18 Source Library established in Section 66408.

19 67422. (a) The Open Educational Resources Adoption
20 Incentive Fund is hereby created in the State Treasury to provide
21 incentives and reward campus and faculty efforts to accelerate
22 adoption of open educational resources for the purpose of reducing
23 students' costs and improving access to quality materials.

24 (b) (1) Moneys in the fund shall be used, upon appropriation
25 by the Legislature, by community college and California State
26 University campuses to create and support ~~faculty~~ *any, or some*
27 *combination, of the following purposes:*

- 28 (A) ~~Faculty professional development, open development.~~
- 29 (B) *Professional development for staff whose work relates to*
30 *the use of, or student access to, open educational resources.*
- 31 (C) ~~Open educational resource curation activities, faculty release~~
32 ~~time, technology activities.~~
- 33 (D) *Curriculum modification.*

1 (E) ~~Technology support for faculty and faculty, students, or~~
2 ~~some combination of these uses. Moneys and staff whose work~~
3 ~~relates to the use of, or student access to, open educational~~
4 ~~resources.~~

5 (2) *Moneys* in the fund shall not be used for direct compensation
6 for faculty members who adopt open educational ~~resources.~~
7 ~~resources or for purchasing new equipment.~~

8 (c) For the purposes of this act, a “community college campus”
9 is a community college campus site that has a local academic
10 senate.

11 67423. (a) As used in this part, “fund” shall mean the Open
12 Educational Resources Adoption Incentive Fund.

13 (b) As used in this part, “open educational resources” are
14 high-quality teaching, learning, and research resources that reside
15 in the public domain or have been released under an intellectual
16 property license that permits their free use and repurposing by
17 others, and may include other resources that are legally available
18 and free of cost to students. “Open educational resources” include,
19 but are not limited to, full courses, course materials, modules,
20 textbooks, faculty-created content, streaming videos, tests,
21 software, and any other tools, materials, or techniques used to
22 support access to knowledge.

23 67424. (a) The local academic senate of a campus of the
24 California State University or the California Community Colleges
25 may adopt a local campus resolution, in collaboration with students
26 and the administration, stating its intent to increase student access
27 to high-quality open educational resources.

28 (b) Upon adoption of the local campus resolution, the campus
29 may develop a plan that describes evidence of the campus’s
30 commitment and readiness to effectively spend grant money from
31 the fund to support faculty adoption of open educational resources.
32 *The California Open Education Resources Council may provide*
33 *a model plan to campuses.*

34 (1) The creation of the plan shall be a collaboration between
35 the campus academic senate and the recognized campus student
36 body organization, *if the recognized campus student body*
37 *organization wants to be involved*, with input solicited by the
38 campus academic senate or the recognized campus student body
39 organization from the local campus bookstore. The California
40 Open Education Resources Council, established in Section 66409,

1 may provide expertise on available open educational resources
2 and best practices for the adoption of open educational resources
3 for existing courses to assist in the development of the plan.

4 (2) The plan shall include continued access to ~~a hard copy of~~
5 open educational resource materials selected by faculty for use
6 through *either the availability of a hard copy at the local campus*
7 *bookstore or access to materials on PDF to print on campus*, and
8 shall ensure access to materials offline for students.

9 (3) (A) Each plan shall include three benchmarks, focusing on
10 reducing costs for students and increasing the adoption of
11 high-quality open educational resources consisting of a year one
12 goal, a year two goal, and a year three goal.

13 (B) Each local campus shall determine its own benchmarks.

14 ~~(4) Plans that utilize~~

15 (4) *Each plan that demonstrates the following readiness*
16 *requirements shall be given priority for approval in accordance*
17 *with paragraph (2) of subdivision (c):*

18 (A) *A plan with concrete benchmarks that demonstrate*
19 *quantifiable outcomes to be achieved from its implementation,*
20 *including, but not limited to, an estimate of the range of money to*
21 *be saved per student from the plan's implementation.*

22 (B) *A plan that utilizes available open educational resources,*
23 *including, but not limited to, California Open Online Library for*
24 *Education (COOL4Ed) and Multimedia Educational Resource for*
25 *Learning and Online Teaching (MERLOT) shall receive priority*
26 *for receiving grants. (MERLOT).*

27 (C) *A plan that provides an estimate of the amount of money to*
28 *be saved per student from the plan's implementation.*

29 (D) *A plan that provides an estimate of the number of academic*
30 *departments expected to be involved in the plan's implementation.*

31 (E) *A plan that describes how existing faculty development*
32 *programs will be enhanced by the plan's implementation.*

33 (F) *A plan that provides an assessment of the costs for students*
34 *to purchase course materials, as determined by the California*
35 *Open Education Resources Council.*

36 (c) (1) Each local campus may submit the resolution and the
37 plan developed pursuant to subdivisions (a) and (b) to the
38 California Open Education Resources Council for an initial grant
39 from the fund.

1 (2) The California Open Education Resources Council shall
2 review the submitted ~~resolution and plan~~ and, if ~~they meet~~ *it meets*
3 the requirements of this part, approve ~~them~~ *it*.

4 (3) *Plans shall be submitted and approved in one of two rounds.*
5 *Plans submitted from October 2 to April 1, inclusive, of each*
6 *academic year shall be reviewed as round one plans. Plans*
7 *submitted from April 2 to October 1, inclusive, of a calendar year*
8 *shall be reviewed as round two plans.*

9 (4) *The California Open Education Resources Council shall*
10 *approve up to 100 plans per year. A plan not approved in a round*
11 *may be resubmitted by the campus for approval in future rounds,*
12 *as determined by the California Open Education Resources*
13 *Council. Each campus may only have one plan approved for*
14 *purposes of the grant program.*

15 (5) *Each plan approved by the California Open Education*
16 *Resources Council shall be submitted by the council to the*
17 *appropriate segment office. The segment office shall award grants*
18 *to recipients in accordance with this section.*

19 (6) *Administrative support may be provided to the council by*
20 *COOLAE to help the council carry out its duties in accordance*
21 *with this part.*

22 ~~(3)~~

23 (7) An initial grant shall not exceed ten thousand dollars
24 (\$10,000).

25 (d) (1) Each year after a campus receives an initial grant, for
26 up to three years, the campus shall receive a bonus grant from the
27 fund for meeting established performance benchmarks for
28 accelerating usage of open educational resources in courses,
29 according to the following schedule:

30 (A) A campus shall receive a bonus grant of up to ten thousand
31 dollars (\$10,000) for reaching its first benchmark in using open
32 educational resources on campus and decreasing textbook costs
33 for students in the first year of implementation.

34 (B) A campus shall receive a bonus grant of up to ten thousand
35 dollars (\$10,000) for reaching its second benchmark in using open
36 educational resources on campus and decreasing textbook costs
37 for students in the second year of implementation.

38 (C) A campus shall receive a bonus grant of up to ten thousand
39 dollars (\$10,000) for reaching its third benchmark in using open
40 educational resources on campus and decreasing textbook costs

1 for students in the third year of implementation. For bonus grants
2 issued for reaching the third benchmark, if applications exceed the
3 amount of available grant funds, priority shall be given by the
4 California Open Education Resources Council to plans submitted
5 pursuant to subdivision (c) that achieve cost savings for students
6 through collaborations with one or more campuses. These
7 collaborations may form within a segment, or across different
8 segments.

9 *(2) If money is available in the Open Educational Resources*
10 *Adoption Incentive Fund after the first bonus grants for reaching*
11 *the third benchmark pursuant to subparagraph (C) of paragraph*
12 *(1) are awarded, additional bonus grants shall be made available*
13 *to recipients, as determined by the segment offices, in consultation*
14 *with the California Open Education Resources Council, until there*
15 *is no money left in the fund.*

16 ~~(2)~~

17 (3) The bonus grants shall be used for ~~faculty~~ any, or some
18 combination, of the following purposes:

19 (A) ~~Faculty professional development, open development.~~

20 (B) *Professional development of staff whose work relates to the*
21 *use of, or student access to, open educational resources.*

22 (C) ~~Open educational resource curation activities, technology~~
23 ~~activities.~~

24 (D) *Curriculum modification.*

25 (E) ~~Technology support for faculty and faculty, students, faculty~~
26 ~~release time, or some combination of these uses: and staff whose~~
27 *work relates to the use of, or student access to, open educational*
28 *resources.*

29 (e) A grant recipient shall report to the California Open
30 Education Resources Council as to whether its benchmarks have
31 been reached ~~and to determine whether~~ it is eligible for bonus
32 grants pursuant to paragraph (1) of subdivision (d). This report
33 shall include an explanation of how the recipient used available
34 open educational resources, including, but not limited to,
35 COOL4Ed and MERLOT, to accomplish its goals pursuant to this
36 part more efficiently.

37 ~~The California Open Education Resources Council~~
38 ~~Intersegmental Committee of Academic Senates~~ shall report to the
39 Legislature before July 1 each year, commencing in 2018, as to
40 whether the grants are increasing the rate of adoption of open

1 educational resources and decreasing textbook costs for college
2 students.

3 (g) A local academic senate of a campus of the California State
4 University or the California Community Colleges may commence
5 its application by adopting a local campus resolution as of January
6 1, 2016, pursuant to subdivision (a). The California Open Education
7 Resources Council shall be ready to review grant applications on
8 or before March 1, 2016.

9 67425. This part shall become inoperative on July 1, 2020,
10 and, as of January 1, 2021, is repealed, unless a later enacted
11 statute, that becomes operative on or before January 1, 2021,
12 deletes or extends the dates on which it becomes inoperative and
13 is repealed.

14 SEC. 2. Section 69999.6 of the Education Code is amended to
15 read:

16 69999.6. (a) In enacting this article, it is the intent of the
17 Legislature to accomplish all of the following:

18 (1) Provide explicit authority to the board to continue to
19 administer accounts for, and make awards to, persons who qualified
20 for awards under the provisions of the Governor's Scholarship
21 Programs as those provisions existed on January 1, 2003, prior to
22 the repeal of former Article 20 (commencing with Section 69995).

23 (2) Provide for the management and disbursement of funds
24 previously set aside for the scholarship programs authorized by
25 former Article 20 (commencing with Section 69995).

26 (3) Provide a guarantee should additional funds be needed to
27 cover awards authorized and made pursuant to former Article 20
28 (commencing with Section 69995).

29 (b) The board may manage and disburse the funds previously
30 set aside for the scholarship programs authorized by former Article
31 20 (commencing with Section 69995).

32 (c) If a person has earned an award under the Governor's
33 Scholarship Programs on or before January 1, 2003, but has not
34 claimed the award on or before June 30, 2004, he or she still may
35 claim the award by a date that is five years from the first June 30
36 that fell after he or she took the qualifying test. An award shall not
37 be made by the board after that date.

38 (d) The board shall negotiate with the current manager of the
39 Governor's Scholarship Programs and execute an amended or new

1 management and funding agreement, before January 1, 2013, which
2 shall include, but not be limited to, all of the following:

3 (1) Terms providing for the return to the General Fund by no
4 later than January 1, 2013, of moneys appropriated to the
5 Governor’s Scholarship Programs that are not anticipated to be
6 needed to make awards pursuant to paragraphs (1) and (2) of
7 subdivision (a).

8 (2) Provisions that authorize the board to pay agreed-upon early
9 withdrawal penalties or fees.

10 (3) Terms that extend to the final date upon which the board
11 may withdraw funds for a person who earned an award under the
12 Governor’s Scholarship Programs.

13 (e) (1) If funds retained in the Golden State Scholarshare Trust
14 after January 1, 2013, are insufficient to cover the remaining
15 withdrawal requests, it is the intent of the Legislature to appropriate
16 the necessary funds to the Golden State Scholarshare Trust for the
17 purpose of funding individual beneficiary accounts.

18 (2) The board shall notify the Department of Finance and the
19 Legislature no later than 10 working days after determining that
20 a shortfall in available funding described in paragraph (1) will
21 occur.

22 (f) (1) Of the funds transferred to the General Fund pursuant
23 to paragraph (1) of subdivision (d), five million dollars
24 (\$5,000,000) is hereby appropriated to the Chancellor of the
25 California State University, without regard to fiscal years, to fund
26 the establishment and administration of the California Open
27 Education Resources Council and the California Digital Open
28 Source Library, and the development or acquisition of open
29 education resources, or any combination thereof, pursuant to
30 legislation enacted in the 2011–12 Regular Session of the
31 Legislature, or for the funding of grants and administrative costs
32 pursuant to the College Textbook Affordability Act of 2015 (Part
33 40.1 (commencing with Section 67420) of Division 5). The
34 chancellor may provide reimbursement to the California
35 Community Colleges and the University of California for costs
36 those segments, or their representatives, incur in association with
37 the activities described in this paragraph.

38 (2) (A) Moneys, or a portion of moneys, appropriated pursuant
39 to paragraph (1) shall not be encumbered unless at least 100 percent
40 of that amount encumbered is matched by private funds. Moneys

1 appropriated pursuant to paragraph (1) that are not matched by
2 private funds shall revert to the Golden State Scholarshare Trust
3 for purposes of the Governor’s Scholarship Programs.

4 (B) Notwithstanding subparagraph (A), moneys appropriated
5 for purposes of the College Textbook Affordability Act of 2015
6 shall not be required to be matched by private funds.

7 (C) *Twenty-five percent of each grant awarded to a campus*
8 *shall be matched by the campus and used by the campus to ensure*
9 *administrative and faculty support of the campus’ plan that was*
10 *submitted and approved in accordance with Section 67424.*

11 (D) *Money provided to a member of the California Open*
12 *Education Resources Council for purposes of the council carrying*
13 *out its duties in accordance with this part shall not exceed three*
14 *thousand dollars (\$3,000) total and shall be provided as a stipend.*
15 *No additional money shall be provided for travel purposes.*

16 (g) The board may adopt rules and regulations for the
17 implementation of this article.