

Date of Hearing: May 7, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 718 (Tangipa) – As Amended April 24, 2025

Policy Committee: Higher Education

Vote: 10 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill requires the California State University (CSU), and requests the University of California (UC), to include in admissions letters a hyperlink to the university's internet website containing labor market outcome information and information about student loans.

Specifically, this bill requires that the student loan information displayed include an explanation that public and private student loans have a range of interest rates and fees and provide a hypothetical example illustrating the impact of different payment schedules on total interest paid.

**FISCAL EFFECT:**

Ongoing General Fund costs of \$300,000 to the UC, and one-time General Fund costs of approximately \$115,000 to the CSU, for additional staff time required at each of the 10 and 23 campuses, respectively, to include the required data in admissions letters and coordinate updates.

**COMMENTS:**

1) **Purpose.** According to the author:

AB 718 will require that the [CSU] and request the [UC] systems to include specific salary and student loan information on admission letters for incoming students beginning in 2026 for the incoming 2027 admission class. By 2030 the CSU and UC must provide students with disaggregated data, allowing for students to see the average salaries and student loan payments for graduates of their field of study across the campuses. This bill aims to provide prospective students with valuable information regarding the potential financial outcomes of their chosen field of study, supporting more informed and financially smart decision-making in their educational journey.

2) **Background.** Current law requires the CSU, and requests the UC, to post annual updated labor market data regarding their graduates on their internet websites. The requirement intends to provide students a picture of college graduate salary earnings and industry placement to facilitate thoughtful and data-driven decisions about where and what to study. Therefore, both the UC and CSU report that this bill's requirements are largely duplicative of information provided on their financial aid internet websites and in financial aid award letters.

Similarly, the California Community Colleges (CCC) Salary Surfer website provides students and families comparative information about the earnings of recent graduates who received a certificate or degree in a specific program area at the CCCs. The data reflects community college student records from the Chancellor's Office Management Information system merged with California Employment Development Department wage records. The Salary Surfer uses the aggregated earnings of graduates from a five year period to provide an earnings potential estimate two years and five years after receiving a certificate or degree in certain disciplines. The CCC Chancellor's Office displays the information on a searchable website it hosts.

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