August 5, 2015

Governor Jerry Brown
State Capitol, Suite 1173
Sacramento, CA 95814

RE: SB 410 (Beall) – SUPPORT AS AMENDED JUNE 16, 2015

Dear Governor Brown:

Public Advocates supports SB 410 because it will make meaningful the good disclosure requirements required of for-profit institutions under California law. Public Advocates supported AB 2296 (Block) in 2012, which dramatically improved disclosures to students considering enrollment at for-profit institutions. AB 2296 sought to correct inaccurate job placement disclosures, fix misleading salary disclosures, and provide students with the loan default rate information the state uses to assess schools. In most respects AB 2296 was successful, however, a second definition of “graduate” was added to the Act through Education Code Section 94874, which unfortunately lacked clarity and allows for potential data manipulation.

Public Advocates challenges the systemic causes of poverty and discrimination by strengthening community voices in public policy and achieving tangible policy and legal victories advancing equal access to education, housing and transportation. Since its founding in 1971, Public Advocates has served as a key voice for educational equity in California.

The added definition in Section 94874 defines “graduates” as those who graduate within 100% of the originally scheduled completion date of their program. While this is useful information, it does not give a full and complete picture of the success of for-profit and other private institutions. Because it includes only those graduates who completed their programs within 100% of the scheduled time period, it excludes data of students who took more time to complete their programs from the reporting data. Application of this definition as it is currently written results in misleading job placement rates, salary, and licensing data, as well as less accurate and confusing information for students.
SB 410 corrects this by updating the Code to use the term “on-time graduates” to determine how many students graduated on time during a given reporting year, and “graduates” to report job placement, salaries, and licensing rates for all graduates during the given reporting year. This bill would clarify a problematic section of the Education Code, and would allow the hard-won protections of AB 2296 to be fully enacted.

For these reasons Public Advocates supports SB 410, and urge you support the bill as well.

Sincerely,

Angela E. Perry
Law Fellow
Public Advocates, Inc.

Cc: The Honorable Jim Beall, Member of the California State Senate