



Dear President Haynes and Members of the Board of Governors,

As the nation faces the highest rate of inflation in decades, our students are making hard choices. Research shows that two-thirds of California students are not buying textbooks and other course materials due to cost.¹ Community college students, in particular, face higher affordability barriers than their peers at other institutions.

Recognizing this problem, Governor Gavin Newsom called out the “usurious” textbook marketplace and challenged the state “to disrupt that entire system nationwide” by making a historic \$115 million investment in the program to develop Zero-Textbook Cost (ZTC) degree pathways for associate degrees and CTE certificate programs across California Community Colleges (CCC). The ZTC program will create a future where students and educators have access to high quality, accessible, and free course materials.

Unless action is taken to expand Open Educational Resources to relieve students of high cost materials, close equity gaps, and improve educational outcomes, we risk jeopardizing this investment that the powerful textbook monopoly is desperate to consume.

The \$115 million in FY21 funds the Governor dedicated to the ZTC degree program will positively transform the CCC course material landscape. If misspent, however, it has the potential to entrench trends that hurt students long term. It is our responsibility to ensure that these funds create a long-term, sustainable impact that will be a model for other states and the federal government.

This is California’s chance to lead the way. The state funded a successful ZTC pilot program in 2016 that resulted in 800% return per dollar invested, served over 23,000 students, and saved

¹ Jenkins, J.J., Sánchez, L.A., Schraedley, M.A.K., Hannans, J., Navick, N. and Young, J., 2020. Textbook Broke: Textbook Affordability as a Social Justice Issue. *Journal of Interactive Media in Education*, 2020(1), p.3. DOI: <http://doi.org/10.5334/jime.549>

them over \$42 million.² Additionally, students in OER-centric ZTC courses experienced higher levels of passing grades and course completions, consistent with national studies on the positive impacts of OER. Students from marginalized backgrounds, in particular, experience greater benefits from OER courses.³

\$115 million is a significant investment; as such, there are attempts underway from the commercial sector to reroute these taxpayer dollars to enrich private coffers. Commercial publishers will offer quick fixes at purportedly “big savings” through bulk purchasing agreements for courseware under the guise of Inclusive Access, First Day Access, and Equitable Access. The Board of Governors must look beyond their marketing and recognize what commercial publishers are offering—short-term access to digital rentals with long-term cost commitments by the colleges. Not only is this counter to the spirit and the letter of the budget appropriation, but also it will lock community colleges into multi-year spending that will drain the funding for ZTC degrees.

There is an alternative, however, that provides the Board of Governors with an opportunity to ensure the Chancellor’s Office is implementing the ZTC program as intended by the Governor and the Legislature, and has demonstrated success. This includes:

- **Open Educational Resources (OER) are the Essential Element of ZTC Funding**
 - OER are teaching, learning, and research materials that reside in the public domain or have been released under an open license that permits their free use and re-purposing by others.
 - Degree pathways built on OER are consistently deployable across multiple colleges with diminishing costs, which is in line with the legislation’s emphasis on cross district sharing and non-duplicative efforts. Conversely, commercial contracts would likely need to be signed for each separate district or even campus.
 - Current [regulations from the Board of Governors](#) recognize the benefit of OER. “Faculty, when identifying “required instructional materials,” should consider costs and necessity. For instance, consideration of Open Educational Resources (OER) could be a way to help reduce costs to students.”

² "Implementing California's Zero-Textbook-Cost Degree Program." 19 Jun. 2018, <http://onlineteachingconference.org/wp-content/uploads/2018/06/DALY-Implementing-Californias-Zero.pdf>. Accessed 16 Mar. 2022.

³ "The Impact of Open Educational Resources on Various Student Success Metrics." <https://www.isetl.org/ijtlhe/pdf/IJTLHE3386.pdf>. Accessed 16 Mar. 2022.

- The past ZTC success was not only due to eliminating the cost barrier, but also ensured students have unlimited access to materials from the first day of class to perpetuity. With OER, educators have the flexibility that openly licensed materials offer, free from the limitations of contracts and closed copyrights.
- Investments in open education strengthen our education system by adding locally relevant material for instructors and students to benefit from in perpetuity. When investments are shifted to out-of-state commercial interests, the gains end when this funding ends.
- While it is permissible to use some funds to provide access to restrictive, materials by purchasing or leasing copies, CCC system must move forward with a plan as directed in [California Education Code 78052](#) by “prioritizing the adaptation of existing OER initiatives, or elsewhere, before creating new content” as building access to free OER can generate long-term savings for years to come.
- **Reject attempts to lock campuses into bulk purchasing agreements under the guise of Zero Textbook Costs (ZTCs)**
 - AB-132 is clear—“This bill would appropriate...to provide grants to community college districts to develop zero-textbook-cost degrees using open educational resources pursuant to the Zero-Textbook-Cost Degree Grant Program.”
 - The language protects the core interests of the program, the sustainable creation of course materials building a stronger and more accessible course materials landscape. We should reject attempts to change or subvert the language and mission of the ZTC program towards private commercial gains.
 - To the extent “low cost” degrees are considered, grants should set strict criteria and an approval processes for materials defined as “not available or cannot be developed” to maximize the number of of truly “zero-cost” degree pathways.

From the 1970s to the mid 2010s, textbook prices increased at three times the rate of inflation driven by market consolidation, lack of price transparency, and schemes such as bundling. This reached such extremes that even the CEO of Cengage, one of the three textbook companies controlling 80% of the market, described the costs as “unconscionable” in a 2019 interview.⁴ This begs the question, why should the corporations that created the crisis be relied upon to solve it? Particularly when student-centered alternatives are available.

⁴ "Cengage and McGraw-Hill merger faces growing opposition." 30 Jul. 2019, <https://www.insidehighered.com/digital-learning/article/2019/07/30/cengage-and-mcgraw-hill-merger-faces-growing-opposition>. Accessed 8 Jul. 2022.

Thank you for your shared commitment and continued work to advance issues of equity, access, and affordability. We are clearly at a key inflection point on the issue of textbook affordability.

As the Board of Governors and the CCC System move forward with the ZTC program, we hope you will consider the points above, as well as the attached documents, and deliver a future where all students have barrier free and permanent access to the tools they need to succeed.

A handwritten signature in black ink, appearing to be 'PK' with a large flourish extending to the right.

Phillip Kim
CEO of The Michelson 20MM Foundation

A handwritten signature in black ink, appearing to be 'CN' with a vertical stroke extending downwards from the 'n'.

Cailyn Nagle
OER Program Manager



20MM Suggested ZTC Implementation Principles

End Goals

- All students can earn associate degrees and career education certificates without hidden textbook costs, with the most current information aligned to industry needs, and with materials that reflect their lives.
- Systemwide commitment to affordable instructional materials, including establishment of ZTC data element that permits colleges and the Chancellor's Office to document the impact of the ZTC investment.

Starting Points

- All colleges can succeed with sufficient support.
- Develop the requests for the application (RFA) process transparently. Publish a full calendar of RFA dates through 2025 so that colleges can apply when ready.
- Provide self-assessment tools so that colleges can determine their readiness to succeed. Close gaps by providing professional development through the life of the funding.
- Lay the foundation for systemic change by developing and supporting a community of practice.
- Create strong data collection elements, so that the program's impact can be comprehensively assessed.
- Provide support through not only OER development and adoption resources but also technical advising and support to allow campuses to accurately track and mark ZTC courses.

Excerpt from the October 2021 OERI Textbook Affordability and Cost Transparency Proposal

Overview

In years past, the California Community Colleges have benefitted from funds to promote the adoption of open educational resources (OER) and expand zero textbook cost (ZTC) degrees, but the potential of OER and ZTC have never been fully realized. Intersegmental OER-related efforts were effective in driving OER adoption and ZTC funds served to further advance these efforts.

In 2016 \$5 million was appropriated to the California Community Colleges Chancellor's Office to establish the establish the Zero-Textbook-Cost Degree Grant. The use of these funds was described in the Zero-Textbook-Cost Degree Grant Program California Community Colleges 2020 [Legislative Report](#) p. 10:

The Chancellor's Office allocated 79% (\$3,962,571) of the \$5 million appropriation as competitive planning and implementation grants to colleges and districts. Planning grants (\$35,000 each) helped institutions identify potential ZTC degree programs and courses, coordinate stakeholders, and prepare for the creation and adoption of effective open educational resources to support the ZTC Program. Implementation grants (up to \$150,000 each) enabled colleges to develop and adopt open educational resources in course and program design, ensure compliance with the Americans with Disabilities Act and the federal Copyright Act of 1976, and implement ZTC degree programs on campus.

Thirty-two of the state's 115 accredited colleges (approximately 28%) received funds from the first Zero-Textbook-Cost Degree Grant. Of these, nine received only a planning grant of up to \$35,000. Thirteen received one implementation grant of up to \$150,000. The remaining colleges received both types of grants, two implementation grants, or one planning grant and two implementation grants. During this funding cycle, nothing was done to prevent duplication and no structures were established for ensuring accountability. In addition, no efforts were made to encourage expansion or ensure sustainability. In contrast, the 2021 appropriation that is the focus of this document specifically references preventing duplication, sustainability, and collaboration (tinyurl.com/115forZTC).

During the summer of 2021, the California legislature designated 115 million dollars to expand ZTC degrees in the California Community Colleges. While the language of the bill and legislation is unclear and introduces definitions that conflict with existing definitions of OER and ZTC in California and beyond, it is hoped that appropriate constituencies can collaborate to ensure these funds are spent responsibly with an emphasis on growing the availability of no-cost course sections across the state in a sustainable manner. It is critical to begin by ensuring a minimum level of readiness at the colleges for growing local ZTC efforts and establishing a system for accountability. At present, compliance with related textbook affordability requirements and regulations is inconsistent, as is the level of support for ZTC and/or OER efforts more generally. As a primary goal of expanding the availability of ZTC awards (i.e., certificates and degrees) is to make higher education more affordable, ZTC is associated with textbook affordability and cost transparency in this document.

This document has been developed by the ASCCC Open Educational Resources Initiative (OERI) and will provide recommendations with respect to the use of the allocated ZTC dollars, and data to support those recommendations. Unless otherwise indicated, the recommendations are not formal positions of the Academic Senate for California Community Colleges (ASCCC). ASCCC establishes positions through a resolution process that involves delegates from colleges and districts across the state. It is anticipated that the delegates will consider the resolutions contained in Appendix B at the 2021 Fall Plenary to be held in early November and, at that time, formalize support for elements of this document.

Ensuring ZTC Implementation Readiness

To ensure that the ZTC funds allotted to the colleges increase the availability of ZTC degrees and certificate pathways, there should be minimum standards with which the colleges must comply to access the funds and a local ZTC baseline should be established. Distributing dollars across the state based on a prescribed formula makes

sense when every college has a comparable – or minimum – infrastructure for those funds or when all colleges are engaging in a specific activity. Absent a foundation for the work and a documentation of the college’s or district’s starting point, the potential impact of the funds cannot be accurately assessed and accountability can’t be assured. The proposal that follows is based on these concerns and existing ASCCC positions. As the legislation references the potential for funding “phases”, the initial proposed steps are organized into phases that delineate activities and presume funding to support those activities.

Please note that this document has been revised to reflect the feedback and questions received from ASCCC OER Liaisons and other OER advocates. The ASCCC Open Educational Resources Initiative (OERI) has established a network of college OER advocates (i.e., OER Liaisons) to ensure two-way communication between the OERI and the colleges. The content from the original draft of this document has been expanded and its organization and presentation has been modified based on these communications.

Phase 1 – Colleges Establish ZTC Readiness and Status

“Planning” grants in the prior ZTC funding cycle were intended to provide colleges with funds to prepare and plan for a large “implementation” grant. Given the amount of funding currently available, establishing a system that presumes and supports universal participation is warranted. With that in mind, specific activities are proposed during Phase 1.

1. Colleges must demonstrate compliance with existing requirements, regulations, and laws relating to textbooks and materials fees. At a minimum, this would mean:
 - a. the federal requirement that colleges provide textbook information in their online schedules at the time of registration (read more at tinyurl.com/TextLeg) and
 - b. mark no-cost (ZTC) course sections as required in California law ([California Education Code 66406.9](#)). This legislated unfunded mandate has yet to be universally implemented. An analysis of California Community College schedules for Fall 2021 revealed that at least 30 of the California community colleges appear to not provide textbook information in their online schedules and at least 33 colleges may not have fully implemented the legislated ZTC marking requirement.

Adopt local policies and practices that advance ZTC and textbook affordability more generally. At a minimum, this would include those necessary for compliance with existing regulation (e.g., Title 5 § 59404) and, ideally, policies to support the implementation of existing laws. “Map” existing ZTC courses, determining what certificates and degrees can already be completed using ZTC courses and identifying what courses are needed to complete incomplete ZTC pathways.

Phase 1 – CCCCCO Supports College Readiness

1. Provide technical support to colleges to accomplish the Phase 1 college-level activities so that colleges may accomplish the Phase 1 college-level activities without expending additional resources. The support should be from credible sources that have a strong track record of effectively working with community colleges.
2. Develop a ZTC section-level MIS data element that colleges must implement to access ZTC degree development funds (when the data element is available for implementation). The requirement to implement a data element would elevate schedule-related textbook issues that are often overlooked, if not neglected. The implementation of a data element would facilitate the collection of data related to the effectiveness of the ZTC funds, ensuring consistency in reporting. At present, the metrics delineated in the bill language would be impossible to track in a meaningful way. As a consequence of observing local struggles to implement a ZTC mark in course schedules, the ASCCC has proposed the development of such a data element ([Advocate for Development of a ZTC Data Element, Resolution 11.02, Spring 2021](#)).

Phase 2 – College Planning or Implementation

While Phase 1 would serve to ensure some minimal level of preparedness for the launching of a local ZTC initiative, Phase 2 would provide additional support for those colleges that are new to ZTC work while providing an opportunity for colleges with advanced ZTC programs to further their work.

1. Prepare for implementation of the ZTC data element.
2. Apply for planning or implementation (ZTC degree development) funds.

Phase 2 – CCCC Supports College ZTC Infrastructure Development and ZTC Resource Creation

1. Establish a formula to distribute some element of the funds to colleges to establish a baseline ZTC infrastructure. Such funds could be used to support specific ZTC-related activities, such as:
 - a. Ensure print copies of OER are made available in libraries, on reserve or for check-out.
 - b. Provide print copies of OER to students when they are required to have access to paper resources (e.g., lab manuals).
 - c. Purchase low-cost resources for students to use to allow courses that can't eliminate costs (i.e., those courses for which OER is not available) to be ZTC.
 - d. Fund staff to support faculty in adopting resources that require remediation due to accessibility concerns or require other modification. Note: the provision of state-level accessibility remediation services would aid in preventing duplication of efforts and allow for local accessibility support to focus on local needs.
 - e. Professional development for faculty.
 - f. Release/reassigned time for faculty ZTC lead(s).
2. In the process of distributing funds to colleges, distinguish between local isolated professional development efforts and the development of resources intended to serve a statewide need. Encourage cross-district collaboration and intersegmental efforts (as referenced in the legislation).
3. Provide robust centralized support for the colleges with respect to:
 - a. Accessibility (critical)
 - b. Copyright and licensing
 - c. Copyediting (a need to explore)

ZTC Mapping

A critical component of Phase 1 at the local level is determining the ZTC status of existing certificates and degrees. The OERI has conducted OER "mapping" by C-ID, CSU General Education Breadth, and Transfer Model Curriculum TMC (see "Resources" at ASCCC-OERI.org for more information). In our work, we have determined that there are OER available to complete a transferable general education pattern. It should be noted that, in some instances, the college or district would need to cover the cost of printing or other minimal and unavoidable costs to make the identified OER ZTC. Printing is often required when a lab manual is being used and efforts to achieve ZTC status using OER may be thwarted when critical copyrighted resources are necessary. A contemporary literature course, for example, may require the use of copyrighted materials. Thus, colleges should be encouraged and supported in removing any barriers that exist in pursuing sustainable OER for ZTC degrees.

Conclusion

If the potential impact of this historical support of ZTC is to be realized, it is critical that every college be prepared to use the funds effectively and that a centralized infrastructure be developed to prevent duplication of effort. Most notably, there are OER resources that faculty would like to use and/or are using that require remediation with respect to accessibility. An advantage of true OER is the ability to address such issues. Absent coordination, every college could invest time and money into remediating a given resource. Similarly, absent meaningful data regarding the availability of ZTC resources for specific courses, funds might be inappropriately used to simply incentivize faculty to transition to a new text.

The system is at a critical juncture when it comes to OER and ZTC and we are fortunate to have the \$115 million to advance this important work. We hope that this document will serve to advance the collaboration necessary to create a strong and sustainable future for OER and ZTC.