California Senate Bill 520 and the Implications for
the Community College System

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Abstract

The purpose of this paper is to provide an overview of California Senate Bill 520, introduced spring 2013. First, the paper will provide a summary of the bill with a highlight of two key features affecting the community college system. Second, this paper will provide an overview of massive open online classes (MOOCs). Third, the paper will explore the financial impact of MOOCs on the education system. Last, the paper will explore the implications of this Senate Bill 520 and MOOCs for California’s system of higher education.
California Senate Bill 520 and the Implications for the Community College System

California State Senator Darrell Steinberg rocked the world of higher education when he proposed Senate Bill 520, which “calls for establishing a statewide platform through which students who have trouble getting into certain low-level, high-demand classes could take approved online courses offered by providers outside the state’s higher education system” (Gardner & Young, 2013, p. 2). Part of the solution envisioned by the authors of SB 520 is the introduction of Massive Open Online Classes (MOOCs) to the public higher education system in California. This bill is a response to an educational crisis in California, where the state is not able to provide college classes for all students, and large numbers of students are unprepared for the academic demands of college. Budgetary reductions are a main cause of the class shortage. According to the Public Policy Institute of California (2013), budget reductions from 2007-2011 amounted to $1.5 billion in cuts to community colleges--this resulted in a 20-year enrollment low. According to the Chronicle of Higher Education, in fall 2012, 470,000 California community college students were put on waiting lists for classes that were already full (Jenkins, 2013), and over the past few years colleges have turned down 300,000 students away from the system (Boerner, 2012). SB 520 is an attempt to help students turned away from the system. The purpose of this policy paper is to provide an overview of California Senate Bill 520. First, the paper will provide a summary of the bill with a highlight of two key features affecting the community college system. Second,
this paper will provide an overview of massive open online classes (MOOCs). Third, the paper will explore the financial impact of MOOCs on the education system. Last, the paper will explore the implications of this Senate Bill 520 and MOOCs for California.

**Senate Bill 520**

Senate Bill 520 expands on a previous bill that grants the California Virtual Campus authority to work towards developing meaningful distance education programs for the state of California. The bill calls for expanding distance education instruction throughout all levels of the educational infrastructure, from K-12 to colleges and universities. There are two significant provisions of the bill that will potentially influence the community college system. First, the bill allows out-of-state providers to create and offer online classes for students enrolled in community colleges, CSUs, and UCs (Senate Bill 520). This specifically grants the state of California the right to collaborate with educational providers outside of the state to provide access to high-demand courses. Educational experts are largely interpreting SB 520 as the integration of MOOCs into California’s higher education system (Garnder & Young, 2013).

Second, the bill calls for the creation of at least 12 online courses that will allow students to satisfy requirements of the Intersegmental General Education Transfer Curriculum (IGETC) and at a minimum, two courses that provide basic skills education in English, English as a second language, and/or mathematics (Senate Bill 520). This portion of the bill alleviates the backlog in gateway courses such as basic skills, English, and Math. In California, approximately 80% of incoming community college students test into basic skills courses and a large number of these students are not able to get
the classes they need (Understanding the “Crisis” in Basic Skills: Framing the Issues in Community Colleges, 2011). Furthermore, placement into basic skills often translates into adding up to two additional years of instruction and dismal completion rates for students. If the bill passes, the legislation will pave the way for the California higher education system to accept units earned by students in MOOCs and open the pipeline for students to achieve their academic goals.

**Massive open online courses**

What are MOOCs? MOOCs started as “non-credit distance education extension courses by elite universities” (Reed, 2012, p. 2). The current MOOC model depends on online instruction, limited student-instructor contact, large enrollment, automated testing, self-organized student studying, and peer review (Educause, 2013). The courses rely heavily on the use of short instructional videos (about 8-12 minutes) followed by quizzes (Pappano, 2012). One of the underlying philosophies of MOOCs is to provide free, open access to education for all. MOOCs emerged from disciplines such as computer science, engineering, and math, which all allowed for quantitative assessment of learning. MOOCs have quickly expanded to other disciplines.

Private companies offer MOOCs, usually in collaboration with institutions of higher education or highly regarded professors. Some of the biggest names in the industry are Coursera, edX, Udacity, and Udemy. These providers have partnered with some of the most prestigious educational institutions in the United States, including: Harvard, Princeton, Yale, Columbia, MIT, Stanford, Duke, University of Pennsylvania, Cal Tech, Dartmouth, Northwestern, John Hopkins, Brown, Rice, Notre Dame,
Vanderbilt, Emory, UC Berkeley, Carnegie Mellon, UCLA, and University of Virginia (Educause, 2013). California Senate Bill 520 reflects a dramatic twist from university based adoption to state adoption of these programs. One significant reason why MOOCs gained legitimacy is that the Gates Foundation has put its considerable weight behind the delivery system to foster the development of low-level, high demand general education courses (Reed, 2012), which mirror the low-level, high demand courses often offered by community colleges.

To give you an idea of the enormous volume of these programs and courses, edX, a nonprofit start-up from Harvard and the Massachusetts Institute of Technology, enrolled 370,000 students in its first course offerings (Pappano, 2012). Last fall, 150,000 students signed up for a single Udacity course, “Introduction to Artificial Intelligence” (Pappano, 2012). Coursera, launched in January 2012, grew to 1.7 million students by fall of the same year. Currently, the students enrolled in these courses are largely college graduates, international students, and working professionals (Educause, 2013). If California’s Senate Bill 520 passes, the student population in these courses could dramatically change.

Financial impact of SB 520 and MOOCs

The financial impact of SB 520 on community college’s is unknown at this time. SB 520 is a two-page “spot-bill” and legislators will complete the details later. It is important to recognize that this bill is viewed as a cost savings measure for the state—if we bring in outside providers to cover our class shortage, the result is less classes that the state has to pay for. However, there are several important financial issues to
consider. Darrel Steinberg created SB 520 in part to help alleviate some of the cost of higher education, specifically the backlog in basic skills courses. However, the financial picture for MOOCs is murky, as most are still trying to discover a viable funding source (Educause, 2013). Some programs offer the courses free, but require students to pay a fee to verify completion of the course. Other funding models for MOOCs propose using advertising (like GOOGLE), selling student data, and using student data for research purposes. If students choose to take a MOOC for credit in California, will they be charged same rate as California fees for community college, CSU and UC schools, or will they have to pay a rate set by the business? The bill stipulates that students who are put on waitlists and not able to get the courses needed for their educational plan will have access to courses from outside providers. However, the state may be subjecting students to a two-tier system, where eligible students’ complete courses through the community college at one rate, and students not able to enroll in classes are offered to enroll in a MOOC at a different rate.

A second important consideration is that the bill does not explain how the profits collected by these companies will affect the colleges, students, and the state. Generally, the model used today splits revenue and costs between MOOC platform providers and educational institutions (Educause, 2013). California must first decide how to collect revenue for these classes. In the California experiment, will the funding of MOOCs occur on a local level and thus not subject to state regulations or will they be a part of the array of state funded program options? Other important funding issues deserve consideration as well. Reed (2012) argues that we are witnessing a potentially dangerous intersection between two different policy issues, MOOCs and performance-
based funding. As with early distance education models, MOOCs have horrible retention and completion rates. It could be dangerous for colleges to simultaneously adopt performance based funding and MOOCs before either system has worked out its kinks. Could MOOCs operate as community education or contract education, avoiding the performance-funding problem altogether?

One interesting provision of the bill is that it would allow part-time instructors who teach online to obtain full-time employment. However, like many of the points in the bill, details of the part-time faculty provision are lacking. Nonetheless, if large numbers of part-time faculty obtain the benefits of full-time status by teaching a full-time load online, it may negate some of the cost saving benefits of this bill.

**Implications for Community Colleges**

As with many policy issues in education, Senate Bill 520 raises more questions than it answers. Some important questions that need to be addressed include: What courses will be offered online through this model? The bill suggests offering twelve core IGETC courses—however, some IGETC requirements include several courses. Who will approve the courses? Faculty members throughout the state are expressing dissatisfaction at being left out of the creation of this bill. Who will teach the courses? Initial reports indicate that although prestigious universities and professors support MOOCs, the courses are often taught by individuals with Bachelor’s degrees (Pappano, 2012). Since the state of California requires that all faculty satisfy minimum qualifications to teach, these same requirements must be enforced. What role will faculty play in the development and implementation of this model (Gardner & Young,
Although the state is seeking outside providers to solve our problems, it seems that there are many faculty in state who have developed wonderful distance education courses and models. The state should encourage in-state providers to offer course solutions. Furthermore, it remains to be determined how the courses will be funded and if the profits collected by the providers will benefit the colleges (Gardner and Young, 2013).

Senate Bill 520 offers several potential benefits to higher education in the state of California. First, increasing the number of courses offered will enable students to move through their course work without delays caused by the inability to get the classes they need. Second, offering students more online instruction provides them with the maximum flexibility in their schedules. Third, SB 520 makes a provision to provide funding for staff development, which will enable interested faculty to get the training they need to provide the best quality distance education possible. Fourth, this law will force some institutions of higher education to change their thinking and policies about distance education to reflect modern practices. Many colleges have local policies that limit the development and instruction of distance education classes. Furthermore, the CSU system has put limits on transferability of some distance education courses, such as Speech. If the state passes SB 520, some colleges will need to revise their policies to stay competitive with MOOCs.

Although SB 520 has many potential benefits for students, it is not without limitations. Distance education courses provide increased access to instruction for many individual, however, those who will benefit from increased access to courses may not benefit from online instruction. According to the Chronicle of Higher Education (2011), a
study by the Community College Research Center at the Teachers College at Columbia University “found that students who took online classes early in their college careers were more likely to drop out than those who took only face-to-face courses” (p. 2). Furthermore, the researchers found an 8% achievement gap between students who took online courses and those who took traditional classes, with the traditional students coming out ahead. Although the idea behind SB 520 is to provide increased access for students, educators must contemplate whether online instruction is the best solution to our class shortage and basic skills crisis.

MOOCs represent some of the best ideas in educational innovation, yet they are not without problems. One challenge is that although MOOCs may open access for students, there seems to be less emphasis on equity in success. Student success rates for MOOCs, as measured by retention and completion, are dismal. Completion rates run from the single digits to about 10% (Carey, 2012). Reports of plagiarism in MOOCs are high (Reed, 2012), partly because of the perception of low accountability to a faculty member. MOOCs rely heavily on peer review, but peer review may not be sufficient for students who lack academic preparation. Additionally, scholars have noted that the student-faculty relationship is very important for student-to-student success (Bensimon, 2007), however, in MOOCs the faculty member is often little more than a figurehead in the online environment. Addressing these challenges is essential before the state ventures into wide-scale adaptation of MOOCs as a solution.

A third challenge lies in the justification for opening the state’s higher education system to outside providers. As mentioned earlier, part of the rationale for opening the state to MOOCs is the huge waitlist of students trying to get into classes, as well as the
large number of students turned away from the community college system altogether. In other words, the state is trying to increase access to education for all. Nonetheless, limits to student access targeted by the bill are largely the result of budget cuts to the community college system. In California, the community college system faced budget cuts of $809 million from 2009-2012, which resulted in offering fewer classes to students (Gardner, 2012). However, what will happen as the state recovers economically, more people return to the workforce, and fewer students need classes? Furthermore, California’s Department of Finance is projecting K-12 enrollment declines due to declining birth rates and migration out of state (Department of Finance, 2012). Down the line, the reduction in K-12 student population will continue to have a negative impact on community college enrollment. Although SB 520 may help the state address our class shortages today, we must consider the long-term potential impact in light of decreasing enrollment trends in the state.

Conclusion

At best, SB 520 represents an innovative attempt to address both California’s class shortage and basic skills challenges. This paper outlined the basic provisions of SB 520 as it applies to community colleges. Many education scholars debate the role of MOOCs in the degree earning process. SB 520 represents one potential response--it is clear that state and education leaders are attempting to capitalize on the growth of MOOCs in a way that will benefit the state. Nonetheless, state and educational leaders must mindfully move forward, answering the question of how MOOCs can meaningfully fit in with California’s outstanding model of higher education and best serve our students. The state must also consider that many instructors and schools in California
have already developed quality online courses to meet these needs—why are we opening the state’s higher education system when we may already have an affordable answer at home? Technology-based-learning offers many benefits to students and academic institutions, but any future changes must continue to uphold the state’s tradition of high quality instruction.
References


California Senate Bill 520. (2013).


