

# Association of Independent California Colleges and Universities (AICCU) (Nick Romo)

Dear Chair Sanchez,

On behalf of the Association of Independent California Colleges and Universities (AICCU), which represents more than 80 non-profit colleges and universities, I am submitting comments in support of the staff recommendation to exempt non-profit entities, as proposed on page 5 of the staff report.

In our prior submitted comments, we sought an exemption for California's independent, non-profit colleges and universities. Among other items, we underscored that application of the new reporting requirements to independent, non-profit colleges and universities would (i) be inconsistent with the intent of the bills and their legislative histories, which showed they were designed to focus on large, for-profit corporations, (ii) create unique challenges to universities, resulting in substantial new costs that would divert critical funds from academic and student programs and institutional financial aid, and (iii), given the statutory exemption already in place for University of California entities, bring about an inequitable inconsistency in treatment of higher education institutions within the State. Staff's recommendation for exemption remediates these issues and remains consistent with the state and federal tax exempt status of non-profit institutions of higher education.

This request remains consistent with the state and federal tax-exempt statuses of non-profit institutions of higher education and the legislative intent to apply the new disclosure laws to large corporations that profit from the sale of goods.

Staff's recommendation to exempt non-profit organizations would effectively satisfy our request in recognition of our educational mission.

Please extend our appreciation to your staff for engaging our universities on this matter and for the opportunity to provide feedback in support of their recommendation. We stand ready to share research and expertise in this important endeavor.

Sincerely,  
Alex Graves