

AB 1746 (Medina, McCarty, Leyva)



INTRODUCTION AND INITIAL ASK

- The 2021-22 Budget has made **significant steps** in making college reality for hundreds of thousands that need financial aid to complete college in a timely manner and without debt.
- The investment in the budget gives our **community college students the same access to Cal Grant** that has been afforded those attending the California State University and University of California for years.
- The budget invested \$153 million the budget year and \$330 million by **removing artificial barriers for community college students**.
- We are **grateful and applaud** this effort and investment but urge policymakers to **finish the job** by adopting **AB 1746 (McCarty/Medina/Leyva) this year**.

MAKING THE PROMISE OF COLLEGE A REALITY FOR ALL

- The **state budget set two new goals** – to **increase college attainment** to 70% and **increase the number of high school seniors completing financial aid applications** so that they know what resources they might count on as they pursue college and/or workforce training upon graduation.
- The **state cannot achieve these and other goals** for without making sure that our state financial aid resources, coordinated with federal and institutional programs can cover the total cost of education– tuition and fees as well as housing, transportation, food and books that are a growing part of **college costs for all students**.
- Several reforms need to be adopted to make our Cal Grant program accessible and equitable for all to that we can in fact meet our goals and promises to students today and tomorrow.

LET'S FINISH THE JOB WITH AB 1746

- AB 1746 embodies the reforms developed over two plus years with the legislature, students, social justice and equity advocates, parents and others to enact comprehensive Cal Grant reform that reflects today's reality.
- The budget addressed one component of this proposed reform, making Cal Grant accessible to community college students but there is more to be done if we want equitable access to college.
- AB 1746 continues this important work by enacting several necessary reforms to complete this work. Specifically, the bill:
 - **Removes all artificial barriers** to Cal grant – age, time out of high school were removed in last year's budget but we need to get rid of grade point average for *all* students. *Removing time out of high school and age BUT Not GPA does not help adult learners.
 - Provides an **automatic growth factor to the access awards for community college students for their non-tuition costs.**
 - **Simplifies the programs** by creating two awards, Cal Grant 2 and Cal Grant 4, respectively for community college and four-year college and university students.
 - **Aligns the state and federal policies** including noting that our Cal Grant program is supplemental to the federal Pell grant and ensures that we retain the one application for financial aid programs.

SUPPORT AB 1746

- AB 1746 is **critical for students** and a **necessary component of our overall plan for college attainment and a strong economy.**
- The bill is **complimentary to the budget act** – but also makes sure that we **get the job done for all students.**
- Last year, AB 1456 enjoyed unanimous **bipartisan support** and a **growing list of supporters** including our **community college, CSU and UC students who are committed to working together to "rise all boats".**
- **Support AB 1746 for our students, and to make sure we do not fall short of our promises to them.**

FREQUENTLY ASKED QUESTIONS

Q: How does the Cal Grant Modernization proposal address equity and accessibility concerns within California's higher education system?

A: Modernizing our Cal Grant system will create more inclusive financial aid programs that will better serve the needs of the students of today. The Cal Grant Equity Framework included in AB 1456 would expand financial aid access to more student parents, adult learners, CA Dream Act filers, veterans and returning learners than are currently being served. The framework also would address the ongoing basic needs crisis for students, helping meet the non-tuition costs of attending college by expanding student eligibility to critical programs like CalFresh.

Q: Why is it important to introduce this legislation now, given the budget constraints brought on by the COVID-19 pandemic?

A: The COVID-19 pandemic hit California's college students especially hard. In May 2020, CSAC conducted a student survey that laid bare the devastating effects the pandemic had on students: over 70 percent of current or incoming students lost some or all of their income because of the COVID-19 pandemic. Financial aid is a lifeline for these struggling students and can help keep them on their educational journey. AB 1456 will ensure Cal Grant reaches students who need it most. Today's students need affordable access to higher education pathways to join our state's workforce and attain economic stability. California needs AB 1456 to fuel the state's workforce pipeline, stimulate the economy, and revitalize businesses working to recover from the pandemic, not only for today but also for the long term.

Q: How would this proposal change the financial aid application and disbursement process?

A: Right now, financial aid is complicated and hard to navigate. This bill will streamline the state's process by aligning the state's requirements with those of federal applications. AB 1456 would remove age and time out of high school requirements, as well as lower GPA requirements and eliminate them for community college applicants to help make applications simpler for students and their families. These changes will eliminate barriers to aid that have left hundreds of thousands of deserving students without financial support.

Q: Under the new Cal Grant framework, will students have access to any other basic needs benefits?

A: Under AB 1456, more Cal Grant 4 recipients – those attending four-year institutions – would be eligible to apply for CalFresh, a program providing monthly benefits to help students pay for food and essential goods. Cal Grant 4 provides 38,646 more financial aid awards that qualify as a Temporary Assistance for Needy Families (TANF) funded benefit & enable recipients to apply for CalFresh. As California college students struggle with food insecurity amidst the pandemic, AB 1456 will ensure more students at colleges and universities have access to basic needs support like CalFresh. By covering the tuition and fees for more students at California's public universities, AB 1456 will also free up significant resources that institutions could use to help provide more support to students to cover their non-tuition costs.

Q: How many more students will be eligible to receive financial aid under this framework?

A: In total, the Cal Grant Equity Framework would make financial aid accessible for an additional 280,000 students in the first year. AB 1456 would make Cal Grant eligibility more equitable by serving an additional 165,000 Latinx students and nearly 23,000 African American students throughout the state. Additionally, over 65,000 more student-parents, 177,000 more first-generation students and 5,600 more CA Dream Act Application filers will be made eligible for a Cal Grant under this new framework.

Q: How does this bill affect students who are already eligible and receiving a Cal Grant?

A: The proposal applies a grandfather clause, where any students currently receiving a Cal Grant will retain their current levels of awards until their eligibility expires. Few students will be made ineligible for state financial aid under this new framework, and other sources of financial assistance - like federal and institutionally awarded financial aid - will still be available to them.

Q: How does AB 1746 (2022) differ from AB 1456 (2021)?

A: The intent of the two bills is the same. We are bringing it back this year after the veto last fall because we are not giving up. Given the huge coalition and unanimous support in the legislature, the authors of this bill are committed to pushing this through in 2022. We are expanding the number of students who qualify by matching Cal Grant income eligibility to Pell eligibility. Although our calculations are not final, we are anticipating more than 10K new students who will qualify

Q: Why was the bill vetoed last year?

A: Per the Governor's veto, there was not enough funding in the budget. However, we believe that the one-time cost associated with full financial aid reform and debt free college is minimal compared to the long-term benefit it will have for students and the state of California. We already see [similar measures](#) at the federal level and a couple years ago, our committee convened a working group where this framework was agreed. Therefore, the authors working with my colleagues to get this in the budget so that there is absolutely no reason this cannot be signed.