
SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2019 - 2020 Regular

Bill No: AB 1774 **Hearing Date:** July 3, 2019
Author: Bonta
Version: April 11, 2019
Urgency: Yes **Fiscal:** Yes
Consultant: Olgalilia Ramirez

Subject: Student financial aid: Student Aid Commission: extension of application deadlines.

SUMMARY

This bill, an urgency measure, authorizes the California Student Aid Commission (CSAC) to postpone an application deadline for student financial aid up to 30 calendar days for regions that have experienced natural disasters, states of emergency or labor actions.

BACKGROUND

Existing law:

- 1) Authorizes the Cal Grant program, administered by the CSAC to provide grants to financially needy students to attend a college or university. The Cal Grant programs include both the entitlement and the competitive Cal Grant awards. The program consists of the Cal Grant A, Cal Grant B, and Cal Grant C programs and eligibility is based upon financial need, GPA, California residency and other criteria. (Education Code § 69430 - 69433)
- 2) Establishes the Middle Class Scholarship (MCS) Program to offset a portion of tuition costs at the University of California (UC) and California State University (CSU) for students with annual household incomes of less than \$150,000 (EC 70020, et seq.).
- 3) Establishes, in statute, submission deadlines for each Cal Grant program and Middle Class Scholarship. (EC § 69434 (b)(1), § 69437 (b)(1)(2), § 69437.3 (b), § 70022(a)(2)(E), § 69436 (b)(2), § 69435.3 (1)(A)).

ANALYSIS

This bill:

- 1) Authorizes the CSAC to postpone an application deadline for student financial aid up to 30 calendar days if both of the following conditions are met:
 - a) The CSAC receives a formal request to postpone an application deadline from either the superintendent of a school district or community college district or from the president or chancellor of a California institution of

higher education that is eligible to receive state funds for student financial assistance.

- b) The CSAC finds that a qualifying event has occurred that, in the judgement of CSAC, has had an adverse effect on the ability of a student who is within the school district, community college district, or an area or region within the state, to successfully complete and submit their financial aid applications by the established application deadline.
- 2) Requires that postponement of an application deadline granted by the CSAC be granted to all applicants within the school district, community college district, or the area or region that was predominantly affected by the qualifying event.
 - 3) Authorizes the CSAC, on a permanent basis, to delegate to its elected officers, which include the chairperson, vice chairperson, secretary, and any other individuals formally elected as officers of the CSAC, the authority to grant, by a unanimous decision of all such officers, the deadline postponement.
 - 4) Defines a qualifying event to mean any event or extenuating circumstance outside of the control of a student in an affected school district, community college district, or the area or region, such as a city or county, in the judgment of the commission, has had an adverse effect on the ability of students within the district to successfully complete and submit their financial aid applications by an established statutory deadline.
 - 5) Requires that the qualifying event have occurred or been ongoing during the period for which financial aid applications were available to submit for the following academic year, and includes, but is not necessarily limited to, any of the following types of events:
 - a) A natural disaster.
 - b) A state of emergency declared by the Governor or the President of the United States.
 - c) A labor action.
 - 6) Authorizes the commission to establish procedures, which may include a standardized application form, through which a postponement of an application deadline may be requested by the individuals, as specified.
 - 7) Requires that a formal application to the commission be submitted no later than 10 business days after the occurrence of the qualifying event, or, if the qualifying event is ongoing, no later than 10 business days after the conclusion of the qualifying event, and is to include, at a minimum, all of the following:
 - a) A description of the qualifying event that is the basis for the request, including how the event in question has had an adverse effect on students' ability to submit their financial aid applications by the established deadline.

- b) A list of any financial aid outreach events sponsored by the commission that have been canceled or delayed due to the qualifying event.
 - c) When available, data showing that there has been, or is likely to be, a reduction in the number of students who have completed a financial aid application from the previous year.
- 8) Requires for a request approved by the commission for postponement of an application deadline, the commission to issue a written notice of the postponement within 24 hours of granting the request and include the approved postponed deadline as well as be sent to all of the following or their respective designees:
- a) The individual who requested the extension.
 - b) The Superintendent of Public Instruction.
 - c) The Governor.
 - d) The Director of Finance
 - e) The President of the UC.
 - f) The Chancellor of the CSU.
 - g) The chairpersons of the relevant fiscal and policy committees of the Legislature.
- 9) Requires, when approving a request for a postponement of an application deadline, the commission post all of the following on its internet website:
- a) The approved postponed deadline.
 - b) The public school district, community college district, or area or region to which the approved postponed deadline applies.
- 10) Specifies that the authority to grant postponements of application deadlines apply to all of the following programs established in statute, as well as any other state-funded financial aid programs administered by the commission, as specified.
- 11) Authorizes the commission, for the 2019-20 academic year, requests received no later than 10 business days after the bill becomes operative, to retroactively postpone these deadlines in accordance with the procedures established by the bill as specified.
- 12) Makes the bill an urgency measure in order for students in communities that have been recently affected by events beyond their control to apply for financial aid for the 2019-20 academic year.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “The cost of attending California’s public four-year universities is at an all-time high, largely due to tuition increases over the past decade. Financial aid is a crucial component to a student being able to access higher education. Low-income students at public colleges in California cannot afford to pay for college costs through their own resources, grants, and a moderate amount of work. Financial aid helps students and their families pay for college. It covers educational expenses including tuition and fees, room and board, books and supplies, and transportation. Specifically, federal, state, and institutional financial aid play a critical role in lowering the cost to students and families, and thus making college affordable for middle- and low-income students.

There are various events that can impact the ability of a student to successfully complete their financial aid application and current law limits our flexibility to accommodate when such circumstances arise. For instance, the wildfire season in California was unprecedented in the size and scope of its devastation. The fires destroyed tens of thousands of homes and forced the evacuation of hundreds of thousands of residents. The UC and the CSU systems recognized the adverse impact this had on students and extended the 2019 undergraduate class application deadline for students affected by the fires. Given current tuition levels, it is more important than ever for the state to ensure that all students can fill out financial aid forms. To prepare for future unprecedented events, California should provide the Student Aid Commission with the necessary flexibility to accommodate students.”

- 2) ***Financial aid application deadline.*** The Free Application for Federal Student Aid (FAFSA) is the application that college or career school students must complete to apply for federal student aid, which includes Pell Grants, federal student loans and work-study opportunities. In addition to determining eligibility for federal student aid, this state as well as California colleges and universities also use FAFSA or California Dream Act Application (CADAA) information to determine eligibility for nonfederal student aid such as Cal Grant, institutional aid programs. The FAFSA and CADAA are currently available for applicants to complete on October 1 every year, existing state law sets the deadline for state aid on March 2 or September 2 for certain programs. This bill authorizes the commission to grant an extension of the statutory deadline for up to 30 days based on certain conditions.
- 3) ***Recent events affected students’ ability to meet the statutory deadline.*** Proponents of the measure assert that several events including wildfires and labor strikes, impacted students’ ability to complete and submit a FAFSA or CADAA. According to information provided by Oakland Unified School District, the labor action that occurred at Oakland Unified School District in March of this year occurred the same week that applications for Cal Grants and the Middle Class Scholarship were due. As a result, many students were not able to submit their financial aid applications in time for the March 2 deadline. Los Angeles Unified School District also notes that the wildfire season in California was

unprecedented in the size and scope of its devastation. The fires destroyed tens of thousands of homes and forced the evacuation of hundreds of thousands of residents. The UC and the CSU systems recognized the adverse impact this had on students and extended the 2019 undergraduate class application deadline for students affected by the fires.

The table below reflects the number of FAFSA and CADAAs received from student for whom CSAC received a high school GPA verification and an overall on-time application for Oakland Unified, Paradise Unified, and Los Angeles Unified School Districts. The table also reflects statewide numbers, from the most recent application season (2019-20) and going back four previous years.

DISTRICT		2019-20	2018-19	2017-18	2016-17	2015-16
01-61259	OAKLAND UNIFIED	3,440	3,459	3,136	3,080	3,046
04-61531	PARADISE UNIFIED	139	224	145	139	123
19-64733	LOS ANGELES UNIFIED	48,603	36,162	34,183	32,150	30,648
ALL SCHOOLS		391,357	370,414	329,502	314,106	301,183

It appears that Oakland and Paradise Unified had a drop in applications this year compared to previous years. Paradise Unified in particular experienced the largest dip with a 38 percent decrease. Los Angeles Unified experienced overall increases, CSAC notes that the jump could be due to a variety of factors including the overall 5.7 percent increase statewide.

- 4) **Clarifying amendment. Staff recommends the following clarifying amendment** relating to delegation of authority to formally elected officers of the commission:
 69513.2 (c) For purposes of this section, the commission may, on a permanent basis, delegate to its elected officers, which include the chairperson, vice chairperson, secretary, and ~~any other individuals formally elected as officers of the commission~~ *any other commissioners currently serving as officers*, the authority to grant, by a unanimous decision of all such officers, the deadline postponement authorized by this section.

SUPPORT

California Community Colleges Chancellor's Office
 California Department of Education
 California State University, Office of the Chancellor
 California Student Aid Commission
 City of Oakland
 Los Angeles Community College District
 Oakland Unified School District
 The Education Trust – West

OPPOSITION

None received.

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