
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

Bill No: AB 2015 **Hearing Date:** June 20, 2018
Author: Reyes
Version: May 1, 2018
Urgency: No **Fiscal:** Yes
Consultant: Olgalilia Ramirez

Subject: Pupil instruction: information about completion of applications for student financial aid.

SUMMARY

This bill requires, commencing with the 2020-21 school year, the governing boards of a school district and a charter school to ensure a student receive information for completion and submission of the Free Application for Federal Student Aid (FAFSA) or the California Dream Act application before that student enters grade 12.

BACKGROUND

Existing law:

- 1) Establishes the California Student Aid Commission (CSAC) is the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. These programs include grant, work-study, and loan programs supported by the state and the federal government. (Education Code § 66010.6.(b))
- 2) Provides for a variety of student financial aid programs including the Cal Grant programs. Current law requires that eligibility for a Cal Grant and the determination of financial need be accomplished using the federal financial need methodology and application (the Federal Application for Student Assistance, or FAFSA), and that this application be used for all programs funded by the state or a public institution of post-secondary education as well as all federal programs administered by a postsecondary educational institution. (EC § 69432.9, § 69433)
- 3) Establishes the California Dream Act, and provides that, beginning January 1, 2013, students eligible for the AB 540 nonresident tuition waiver are eligible to apply for, and participate in, any student financial aid program administered by the State of California to the full extent permitted by federal law. The Commission is required to establish procedures and forms (Dream Act application) that enable AB 540 students to apply for, and participate in, all student financial aid programs administered by the State of California to the full extent permitted by federal law. (EC § 69508.5)
- 4) Authorizes CSAC as the administrators of one California Student Opportunity and Access Program, to apportion funds for the support of projects designed to

increase the accessibility of postsecondary educational opportunities for elementary and secondary school pupils, as specified. (EC § 69561).

- 5) Requires schools that offer educational counseling to provide information to students on academic planning for higher education programs, financial aid, career technical education, and admission and enrollment procedures.
- 6) Requires schools offering grades 9-12 to annually provide the parent or guardian of each student enrolled in any of those grades with written notification that includes an explanation of the college admission requirements, information about higher education options, and information about how students may meet with counselors to meet admissions requirements.

ANALYSIS

This bill:

- 1) Requires, commencing with the 2020-21 school year, the governing board of a school district and the governing body of a charter school, as appropriate to ensure that each of its students receives information on how to properly complete and submit the Free Application for Federal Student Aid (FAFSA) or the California Dream Act application, as appropriate, at least once before the student enters grade 12.
- 2) Specifies that the manner in which information is provided pursuant to the bill is at the discretion of the governing board of the school district or the governing body of the charter school, as appropriate.
- 3) Requires information provided to include but not necessarily be limited to, material related to all of the following:
 - a) The types of documentation and personal information that each financial aid application requires, including, but not necessarily limited to, documents relating to income taxes, finances and income, immigration status, college choices, academic status, and personal identification such as social security or taxpayer identification numbers.
 - b) An explanation of definitions used for each application, as specified.
 - c) Eligibility requirements for student financial aid that may be applied for using the FAFSA or the California Dream Act application.
 - d) Application timelines and submission deadlines.
 - e) The importance of submitting applications early, especially when student financial aid is awarded on a first-come, first-served basis.
- 4) Requires, the governing board of a school district and governing body of a character school to ensure that any information shared by parents, guardians

and students is handled according to applicable state and federal privacy laws and regulations.

- 5) Establishes if the Commission on State Mandates determines that this act contains costs mandated by the state, the state shall reimburse the applicable entities.

STAFF COMMENTS

- 1) **Need for the bill.** According to the author, “Currently there is no existing law that provides guidance regarding how to properly complete a FAFSA or California Dream Act Application, however, actions at the federal level have created new barriers for students. Supplemental processes such as creation of an FSA ID and use of prior year tax information has made filing for FAFSA increasingly difficult for uninformed students and families. Failure to submit a FAFSA creates low college enrollment rates, as financial need is one of the top reasons students do not continue their education in college. Receiving proper instruction on how to submit a FAFSA is critical for all students to affordably attend college. AB 2015 requires that public schools serving students in grades 9-12 offer instruction on how to properly complete and submit a FAFSA and California Dream Act Application.”

This bill seeks to increase awareness of and completion for the two primary applications for student financial aid used to cover college costs.

- 2) **Free Application for Federal Student Aid (FAFSA).** The FAFSA is the core document used to determine eligibility for all major federal and state financial aid programs, including Cal Grant, Pell Grant, institutional aid at the University of California (UC) and the California State University (CSU), work-study awards, scholarships, and federal student loans.
- 3) **Dream Act application.** State law, established by AB 540 and expanded upon by other legislation, allows non-resident students who meet certain qualifications to pay in-state tuition. These students may include undocumented students, students who are US citizens but who are not CA residents, and dependent students whose parents are not CA residents. AB 540 students are eligible to apply for, and participate in; any student financial aid programs administered by the state and by public postsecondary institutions. The Dream Act application is used to determine the eligibility of AB 540 students for California student financial aid.

This bill requires the specified entities to inform students of the type of documentation and personal information needed for each financial aid application including immigration status, it is understood that documentation relative to immigration status is not required for purposes of completing the FAFSA or Dream Act application. Additionally, stating this information may serve as a deterrent for some Dream Act applicants. **Staff recommends the bill be amended** to delete, “immigration status,” as a required source of information, as specified.

- 4) **Education Trust-West Report.** In 2013 the Education Trust-West issued its report *The Cost of Opportunity* which found that only 54 percent of California's 12th graders completed a 2) Free Application for Federal Student Aid (FAFSA) in 2012, a step necessary to apply for a Cal Grant by the March 2nd deadline. In 2014, a follow up Equity Alert entitled *Doorways to College Aid: Boosting Access to Financial Aid in California* found that in 2013 the rates of completion of the FAFSA and Cal Grant applications increased statewide by 7 percent and 8 percent respectively for a total of 25,000 additional FAFSA completions and more than 30,000 additional Cal Grant applications. However, 42 percent (170,000) of 12th graders from the class of 2013 still did not complete a Cal Grant application. In a 2015 press release Education Trust-West announced completion rates of the FAFSA and Cal Grant remained relatively unchanged for the Class of 2014. The report notes the higher completion rates were the results of efforts at the local level which include an early focus on FAFSA completion and the electronic submission of GPAs for all students.

SUPPORT

BLU Education Foundation
California Immigrant Policy Center
CSBA
Education Trust-West
Riverside County Superintendent of Schools
Western Association for College Admission Counseling

OPPOSITION

None received

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