
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

Bill No:	AB 3089	Hearing Date:	June 20, 2018
Author:	Thurmond and Quirk-Silva		
Version:	May 25, 2018		
Urgency:	No	Fiscal:	Yes
Consultant:	Lynn Lorber		

Subject: Student financial aid: Chafee grant awards.

SUMMARY

This bill expands eligibility for the Chafee grant to include former foster youth who are between age 22 and 26 years, and authorizes the California Student Aid Commission (CSAC) to award grants to this population beginning with the 2019-20 award year.

BACKGROUND

Existing law:

- 1) Establishes the CSAC for the purpose of administering specified student financial programs. (Education Code § 69510 et seq.)
- 2) Establishes requirements for postsecondary education institutions to participate in the Cal Grant program, and requires, for the 2012-13 and subsequent academic years, an institution to maintain a graduation rate above 30 percent and a three-year cohort student loan default rate of less than 15.5 percent. (EC § 69432.7)
- 3) Establishes the federal John H. Chafee Foster Care Independence Program to provide, among other benefits, education and training vouchers to qualifying current and former foster youth. (United States Code, Title 42, § 677)
- 4) Requires the CSAC, through an interagency agreement with the Department of Social Services, to operate a federally-funded scholarship program that provides grant aid to California's current and former foster youth. Existing law requires funds to be used to assist students who are current and former foster youth, for career and technical training or traditional college courses. (EC § 69519)
- 5) Requires, beginning with the 2017–18 award year, CSAC to make a new Chafee grant award to a student only if the student attends either of the following:
 - a) A qualifying institution that is eligible for participation in the Cal Grant program.
 - b) An institution that is not located in California that satisfies the provisions of a qualifying institution that is eligible for participation in the Cal Grant program. (EC § 69519)

ANALYSIS

- 1) Expands eligibility for the Chafee grant to include former foster youth who are between age 22 and 26 years, and authorizes the California Student Aid Commission (CSAC) to award grants to this population beginning with the 2019-20 award year.
- 2) Requires the CSAC to annually report to the Legislature all of the following information for the preceding award year:
 - a) The number of students that apply to receive a Chafee grant award.
 - b) The number of Chafee grants awarded.
 - c) The number of students paid through the Chafee Educational and Training Vouchers Program.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “Unlike most financial aid programs and grants, the Chafee Grant is crucial as it allows foster youth to pay for college-related expenses beyond tuition and fees, such as housing, childcare, transportation and books. Many eligible foster youth do not enroll into college immediately after emancipating out of the foster care system. Thus, they are unable to take advantage of the Chafee program. Extending the Chafee Grant eligibility age to 26 makes the standard consistent with the Cal Grant. This bill allow foster youth continuing or starting college after age 22 to access this grant. The Chafee program has been shown to improve outcomes for former foster youth: students who receive Chafee are 52 percent more likely to complete three semesters or more of community college. Chafee recipients also see an increase in the rate of course completion and the likelihood of obtaining a 2.0 grade point average or higher.”
- 2) ***Chafee eligibility requirements.*** To qualify for a Chafee Education and Training Voucher (ETV), students must:
 - a) Be a current or former foster youth, with dependency established or continued by the court between ages 16-18.
 - b) Be under the age of 22 years as of July 1 of the award year.

Students must fill out the Free Application for Federal Student Aid, or California Dream Act Application, and the California Chafee grant application. Currently, there is no application deadline or guarantee of funds, and applications are processed on a rolling basis until all funds are expended. This often results in students not learning whether they received a grant until well into the school term.

The Chafee ETV is not an entitlement, unlike the Cal Grant program.

This bill expands eligibility for the Chafee grant to include former foster youth who are between age 22 and 26 years, and authorizes the California Student Aid Commission (CSAC) to award grants to this population beginning with the 2019-20 award year.

- 3) **Chafee recipients in California.** The maximum grant is \$5,000 per academic year; the average awarded grant in 2016-17 was \$4,149. There were 3,499 California students served by the Chafee grant in 2016-17.
- 4) **Related Budget activity.** The 2018 Budget agreement currently includes \$4 million General Fund (GF) in ongoing funding to provide Chafee grants to former foster youth up to the age of 26, and includes reporting provisions related to the Chafee. The Budget agreement essentially mirrors this entire bill; therefore, this bill is unnecessary and would chapter out AB 1811 (Committee on Budget), which is the human services trailer bill.
- 5) **Fiscal impact.** According to the Assembly Appropriations Committee, this bill would impose:
 - a) Annual GF costs annually to expand the Chafee Program.
 - b) Ongoing GF in the thousands of dollars annually for CSAC to report on the grant.

SUPPORT

Journey House (sponsor)
Baby2Baby
Echoes of Hope
Public Counsel
University of California, Davis, Department of Anthropology, Research Affiliate

OPPOSITION

None received

-- END --