
SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2019 - 2020 Regular

Bill No: SB 461 **Hearing Date:** April 3, 2019
Author: Roth
Version: February 21, 2019
Urgency: No **Fiscal:** Yes
Consultant: Olgalilia Ramirez

Subject: Student financial aid: Cal Grants: summer term students.

SUMMARY

This bill expands the total period of eligibility for Cal Grant awards by establishing eligibility for an additional Summer Cal Grant award for purposes of timely completion of a baccalaureate degree program at a public postsecondary institution. This bill also expands Summer Cal Grant eligibility to a student who has transferred to a 4-year qualifying institution (*private or public*) from a California community college.

BACKGROUND

Existing law:

- 1) Cal Grant A Awards. Students meeting specified income and asset thresholds and other eligibility requirements, and having at least a 3.0 GPA receive tuition and fee assistance. (Education Code § 69434)
- 2) Cal Grant B Awards. Students meeting income thresholds (lower than for Cal Grant A), asset thresholds and other eligibility requirements, and having at least a 2.0 GPA receive a living allowance and tuition and fee assistance. Awards for most first-year students are limited to an allowance for non-tuition costs (access award), such as books and living expenses (currently \$1,672). In the second and subsequent years, the award also provides tuition and fee support. (EC § 69435)
- 3) Prohibits receipt of a Cal Grant award in excess of the amount equivalent to the award level for four years of full-time attendance in an undergraduate program. (EC § 69433.5(d)(1))
- 4) Specifies that California Student Aid Commission increase the Cal Grant award amount in proportion to the period of additional attendance for students who accelerate their college attendance by enrolling during the summer, but that the total award amount a student may receive over a four-year period may not be increased as a result of such acceleration. (EC § 69433.5(f))
- 5) Under federal law, Pell Grant provides aid to students who demonstrate financial need, and can be used for tuition and fees, books and supplies, transportation, and living expenses for the equivalent of up to six years of full-time enrollment. The maximum Pell Grant for 2017-18 is \$5,920. (20 United States Code § 1070)

ANALYSIS

This bill:

- 1) Defines, “summer term,” to mean one or more periods of instruction for credit in a baccalaureate degree program that occurs after the conclusion of the spring semester a quarter and prior to commencement of the fall semester or quarter.
- 2) Notwithstands, the prohibition of receipt of an increased award amount beyond the allotted four-year period for attending summer terms, sessions or quarters, as specified.
- 3) Makes a student who is eligible to receive a Cal Grant A or B award eligible to receive a Summer Cal grant award, in addition to receiving a Cal Grant A or B award, for *two summer* terms of up to nine units of enrollment, or equivalent, per term for purposes of pursuing timely completion of a baccalaureate degree at a public postsecondary educational institution.
- 4) Makes a student who is eligible to receive a Cal Grant A or B award who has transferred to a 4-year qualifying institution from a California community college eligible to receive a Summer Cal Grant award, in addition to receiving a Cal Grant A or B award, for *one summer term* of up to nine units of enrollment, or equivalent.
- 5) Prohibits the summer Cal Grant award from being subject to or count against the 4-year of full-time attendance eligibility limitation that applies for purposes of Cal Grant A and B award renewals, as described.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “While the California’s financial aid system (Cal Grant) is generous and robust, the statutory limitation of four academic years of full-time attendance creates a large barrier to graduating in a four-year timeframe. Cal Grant does not provide any dedicated financial aid for needy students who want to take advantage of summer courses and improve their likelihood of a timely graduation.”

This bill seeks to expand the total period for which a Cal Grant is available by allowing a Cal Grant A or B student to receive an additional award to cover summer attendance.

- 2) ***Duration of Cal Grant awards.*** The Cal Grant program currently offers awards to cover tuition costs for the equivalent of a 4-year academic period often described as 400 percent eligibility. The amount and duration of the award are based on the student’s attendance status (full-time/part-time) and term (semester or quarter). This provides some flexibility to take less or more units within the parameters of their attendance status without losing additional eligibility. For example, a student enrolled half-time over two semesters would use 50 percent of their total eligibility leaving them with 350 percent of remaining eligibility. A summer school payment would reduce a student’s total program eligibility for Cal Grant benefits.

The proposed aid program, provides an additional award for up to two summer terms without counting against program eligibility for the “regular,” academic year.

- 3) ***Efforts to improve timely completion.*** In response to concerns that students are taking longer to complete their undergraduate degrees or not at all, public postsecondary institutions and the state have focused on improving and supporting timely degree completion. Recent budget actions have charged each segment with setting goals and implementing strategies for improving transfer, 4-year and 6-year graduation rates. According to the University of California (UC), students who attend summer courses at least once in their undergraduate career are more likely to graduate in four years. Some of these strategies include promoting full-time attendance (12 units or more), creating clear curricular/transfer pathways, establishing targeted support services and reducing the number of unnecessary classes that lead students off track. In addition to those programmatic changes, the legislature through the budget has established two new grant programs at the California Community Colleges to accelerate degree completion for a student enrolled in 12 units or more (full-time status). Full-time status during the regular academic year or summer term is not required under this bill's provisions.
- 4) **What is covered under Cal Grant A and B?** Cal Grant A provides full-tuition coverage for students enrolled at the California State University (CSU) and UC and partial tuition at private colleges and universities. The Cal Grant B award comes with two payment components—access and tuition fees. The access portion covers non-tuition costs in the amount of \$1,672. This program provides full-tuition coverage except not in the first year of college for students enrolled at CSU and UC and partial tuition coverage for students enrolled at private colleges and universities. *It appears that the proposed summer grant covers tuition for the summer term but it's not clear whether additional aid granted to Cal Grant B students is also provided as a component of the summer grant. The author may wish to clarify which costs are covered by the summer grant award.*
- 5) ***Pell Grant provides some assistance.*** Last year the federal government reinstated a Pell Grant policy, such that recipients who enroll full-time in the fall and spring semesters may now utilize part of their overall Pell Grant eligibility – i.e. obtain additional grant monies – for the summer, if they enroll in at least 6 units. Thus, while a student is still limited to receiving a Pell Grant for the equivalent of six years of full-time attendance, they can now receive a grant to either accelerate their degree completion or get back on track for timely completion by attending in the summer. In some cases, participants in the proposed grant program could additionally receive a Pell grant award.
- 6) **Related and prior legislation.**

SB 148 (Glazer, 2019) establishes the Student Success and On-time Completion Fund in the State Treasury, and authorizes the Trustees of the California State University to use money in the fund to incentivize participation in a California Promise program through the offering of tuition freezes or grants, including a summer grant. SB 148 was approved by this committee March 27, 2019.

SB 296 (Allen, 2019) Expands eligibility for the Cal Grant program to students who are noncitizens that have filed the specified application for asylum and meet other requirements. SB 296 is scheduled to be heard by this committee on April 3, 2019,

AB 3153 (Levine, 2018) nearly identical to this bill, would expand the total period of eligibility for Cal Grant A or Cal Grant B awards by establishing eligibility for an additional Summer Cal Grant award for purposes of timely completion of a baccalaureate degree program at a public postsecondary institution. AB 3153 was placed on suspense in the Senate Appropriations committee.

SUPPORT

Campaign for College Opportunity
San Jose-Evergreen Community College District
The Education Trust - West
University of California
University of California Student Association

OPPOSITION

None received

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