

Date of Hearing: April 25, 2017

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 1468 (Chiu) – As Amended April 3, 2017

**SUBJECT:** Community colleges: student equity plans.

**SUMMARY:** Authorizes the use of funding from the California Community Colleges (CCC) Student Equity Program, up to \$25,000 per campus of apportionment funding, or both, to be used for emergency student financial assistance to help an eligible student overcome unforeseen financial challenges that would directly impact the student's ability to persist in his or her course of study. Specifically, **this bill:**

- 1) Specifies that the challenges (as referenced in the summary above) include, but are not necessarily limited to, the immediate need for shelter or food.
- 2) Encourages each community college district and campus to consider the unique characteristics of its student body in developing specific guidelines for further defining what constitutes an unforeseen financial challenge for its students.
- 3) Requires, in order to be an allowable use of Student Equity Program funds, emergency student financial assistance to be included in the institution's plan for interventions to students.
- 4) Defines the following terms:
  - a) "Eligible student" means a student who has experienced an unforeseen financial challenge, who currently meets the definition of satisfactory academic progress of the college he or she attends, and who is at risk of not persisting in his or her course of study due to the unforeseen financial challenge; and,
  - b) "Emergency student financial assistance" means financial support in the form of financial assistance to support a student to overcome unforeseen financial challenges so that he or she can continue his or her course of study.

**EXISTING LAW:**

- 1) Creates the Student Success and Support Program (SSSP) in order to provide a variety of programs intended to ensure the success of CCC students, including, but not limited to: a) student assessment before course registration; b) counseling and other education planning services; c) advising; and, d) development of an education plan leading to a course of study. Specifies funding for SSSP shall be targeted to fully implement orientation, assessment, counseling and advising, and other education planning services needed to assist a student in making an informed decision about his or her educational goal and course of study and in the development of an education plan. (Education Code (EC) 78212).
- 2) Requires that all community college districts (CCD), with the assistance of the CCC Chancellor, establish and maintain institutional research to evaluate the effectiveness of the SSSP, as specified, and of any other programs or services designed to facilitate students'

completion of their educational goals and course of study. Specifies the metrics for said research shall include, but be not limited to the following: a) prior educational experience, including transcripts when appropriate, as determined by the chancellor; b) educational goals and courses of study; c) criteria for exemption from orientation, assessment, or required counseling or advisement, if applicable; d) need for financial assistance; e) disaggregated data by ethnicity, gender, disability, age, and socioeconomic status, to the extent this information is available; f) academic performance, such as the completion of specified unit thresholds, success in basic skills courses, grade point average, course completion outcomes, transfer readiness, and degree and certificate completion; and, g) any additional information that the chancellor finds appropriate (EC Section 78214).

- 3) As a condition for receiving SSSP funding, and in order to ensure equal educational opportunities and to promote student success for all students, regardless of race, gender, age, disability, or economic circumstances, the governing board of each CCD shall maintain a student equity plan that includes, but is not limited to, the following for each community college in the CCD: a) campus-based research as to the extent of student equity by gender and specified underrepresented groups (including, but limited to, current or former foster youth, veterans, and students with disabilities); b) goals for access to, and completion of, basic skills, career technical education and workforce training, and transfer courses for the overall student population and for each population group of high-need or disadvantaged students, and a determination of what activities are most likely to effectively meet those goals; c) where significant underrepresentation is found to exist, measures for addressing the disparities in those areas, implementation activities designed to attain the specified goals, including, but not limited to, the adoption of evidence-based models of remediation; and, d) a schedule and process for evaluation. The plan shall be adopted by the governing board of the CCD and submitted to the CCC Chancellor, as specified (EC 78220).
- 4) Requires the CCC Chancellor to allocate funds provided for purposes of successfully implementing the activities and goals specified in the student equity plans, consistent with all of the following: a) ensure CCDs submit a student equity plan that is consistent, as specified in EC Section 78220; b) ensure that CCDs serving greater populations of students who are high-need or disadvantaged receive greater resources to provide services to students, consistent to the goals and activities specified in their student equity plans; c) establish criteria for calculating the number of high-need and disadvantaged students in a CCD; d) establish a list of eligible and ineligible expenditures and activities to ensure that funding is used to support the implementation of student equity plan goals and the coordination of services for the targeted student populations; and, e) report to the Department of Finance, the Legislative Analyst, and the appropriate policy and fiscal committees of the Legislature, on the expenditure of student equity funds (EC Section 78221).

**FISCAL EFFECT:** Unknown

**COMMENTS:** *Need for the measure.* According to the author, emergency aid is becoming an effective tool in assisting in student retention and completion. The author contends that, "The field of emergency aid is quickly emerging as a best practice for community colleges around the nation, but is still a new frontier."

The author argues that without any clear legislative direction or authority regarding emergency aid, and without available funding, colleges may be hesitant to explore and implement this up-and-coming means to supporting students in emergency crisis."

This measure authorizes the use of funding from the Student Equity Program, up to \$25,000 of apportionment funding per campus, or both, for the provision of providing emergency student financial assistance.

*Student equity plans.* The 2016-17 Budget Act allocated \$155 million in ongoing funds to CCDs to implement student equity plans. The 2016-17 allocations to districts were calculated using the existing student equity funding formula, which includes factors for annual full-time equivalent student (FTES), high need students, educational attainment of residential zip code, participation rate, poverty rate, unemployment rate, and unduplicated foster youth headcount.

To be noted, student equity funds must be used to address the student equity populations and indicators as defined in statute (EC Sections 78220 and 78221) and be based on the disproportionate impact study, goals, and activities as outlined in the CCDs student equity plans that are submitted to the CCC Chancellor's Office (CCCCO). Additionally, the colleges have two fiscal years to expend these funds. The expenditure cycle for the 2016-17 funds will thus end on June 30, 2018; the CCDs will have to provide mid-cycle and end of cycle expenditure reports to the CCCCCO in September 2017 and September 2018, respectively.

*Emergency Aid.* Individual campuses throughout various states are providing emergency aid for their students. Emergency aid comes in the form of supplemental grants, financial aid advances, or even small personal loans.

According to a December 2015 report by Wisconsin Hope Lab, entitled, "Investing in Student Completion: Overcoming Financial Barriers to Retention Through Small-Dollar Grants and Emergency Aid Programs," a deepening financial need among students exists". The report found that there is an increased interest in emergency aid programs, but also many challenges in implementing them effectively, due in part to administrators having to delicately navigate tensions between providing access and support and rationing scarce resources. Additionally, the report recommended that clear criteria for program eligibility, while providing flexibility for determining what constitutes an unusual circumstance, must be established and clearly communicated as policies are created seeking to create emergency aid programs.

As noted above, various campuses throughout the nation are beginning to offer forms of emergency aid. Here are a few:

- 1) Pasadena City College offers short-term emergency loans for unexpected expenses, books and supplies. Loans are usually processed within 24-48 hours and must be repaid within 30 days.
- 2) The University of California, Berkeley, makes short-term loans available to students in good standing who are faced with sudden, unforeseen financial need. Students who qualify, may receive between \$775 and \$1,300 in emergency funds. Loans are interest-free and are due within 60 days of disbursement.
- 3) Georgia State University provides micro grants to students each semester to help cover modest financial shortfalls affecting the students' ability to pay tuition and fees and prevents them from

stopping their studies or dropping out. This past fall, more than 18,000 of Georgia State's more than 25,000 bachelor's-degree-seeking students (72 percent) had some level of unmet need. This means that even after grants, loans, scholarships, family contributions and the income generated from students working 20 hours a week, the students lack sufficient funds to attend college. Each semester, hundreds of qualified students are dropped from their classes for lack of payment. For as little as \$300, Panther Retention Grants provide the emergency funding to allow students who want to get their degrees the opportunity to remain enrolled. Last year, nearly 2,000 Georgia State students were brought back to the classroom—and kept on the path to attaining a college degree—through the program. Sixty-one percent of the seniors who received Panther Retention Grant support last academic year graduated within two semesters of receiving the grant, and 82 percent either had graduated or were still enrolled one year after receiving the grant. With more than 5,000 grants awarded over the past four years, the Panther Retention Grant program has prevented thousands of students from dropping out of Georgia State.

*Committee comments.* This measure, AB 637 (Medina), which unanimously passed out of this Committee on 18 April, and AB 1018 (Reyes), which will be heard today by this Committee, all seek to amend the same code section; and conflict with each other.

*Moving forward, Committee staff recommends that the authors' work together to address potential chaptering out issues.*

*Related and prior legislation.* SB 307 (Nguyen), which is set to be heard in the Senate Education Committee later this week, would, in part, request the University of California (UC) Regents to convene a task force, consisting of three UC representatives selected by the Regents, three representatives of the California State University (CSU) selected by the CSU Trustees, and three representatives of the CCC selected by the CCC Board of Governors, to conduct a study to determine the extent, causes, and effects of housing insecurity and homelessness of current postsecondary students in this state, and requires the study to be submitted to the Legislature on or before December 31, 2018.

AB 2822 (Chiu) of 2016, which was placed on the Senate Floor Inactive File by request of the author, in part, required the CCCCO to provide guidelines for CCD or campuses that seek to establish student emergency aid programs among the services they provide.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

A Place Called Home  
 Consumer Attorneys of California  
 Courage Campaign  
 First Place for Youth  
 Los Angeles Chamber of Commerce  
 Move LA  
 Scholarship America  
 Student Senate for California Community Colleges  
 uAspire

### **Opposition**

None on file.

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