

Date of Hearing: April 12, 2016

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 2520 (Rodriguez) – As Amended March 15, 2016

**SUBJECT:** Student financial aid: Student Aid Commission

**SUMMARY:** Requires the California Student Aid Commission (CSAC) to submit a report to the Legislature and the Governor by the 2017-18 academic year on measures to increase student participation in state and federal financial aid programs. Specifically, **this bill**:

- 1) Requires measures recommended by CSAC to include all of the following:
  - a) At least one measure to ensure that each grade 12 California high school pupil receives adequate time and faculty support to complete and submit the Free Application for Federal Student Aid (FAFSA) during a required course in the first semester of the pupil's grade 12 school year.
  - b) At least one measure to address the barrier of a student who is unable to access his or her parents' financial information in order to complete and submit the FAFSA. The recommended measure or measures shall include a recommendation for a sample statement that the student can sign stating that his or her parents' financial information provided in the FAFSA represents the best information available to the student.
  - c) Other measures identified by CSAC.

**EXISTING LAW:** Establishes CSAC and requires CSAC to administer California's student financial aid programs. (Education Code Section 69400 et seq.)

**FISCAL EFFECT:** Unknown

**COMMENTS:** *Purpose of this bill.* According to the author, the rising cost of a higher education is burdensome for anyone planning to attend college, but for low-income students it is particularly discouraging. Although billions of dollars in federal programs exists to help low-income students afford college, many never receive assistance because they do not complete the FAFSA. In 2014, the Education Trust-West (ETW) did an analysis of the FAFSA and Cal Grant application data from CSAC and found that, while the number of completions increased from the previous year, there is still a large percentage of eligible students that did not apply for financial aid. The Institute for College Access and Success (TICAS) also found only 33% of California community college students apply for financial aid, compared to 46% in other states.

*Issues to consider.* The author and Committee may wish to consider the following issues and questions in reviewing the reporting requirements of this bill:

- 1) *Existing recommendations available.* As noted by the author, ETW has studied FAFSA and Cal Grant application rates in California; ETW has also made numerous recommendations to improve those rates, several of which have already been adopted in statute. Numerous other researchers and advocacy organizations, including TICAS, have also made recommendations for improving FAFSA completion rates. *Is an additional report necessary?*

- 2) *Other priorities for CSAC.* CSAC has testified to the Assembly Budget Subcommittee No. 2 that it faces serious challenges in regards to needed technology upgrades and data security improvements. CSAC is requesting funding to support improvements in its grant delivery system. *Considering other issues facing CSAC, is this report a priority for the Legislature?*
- 3) *School district responsibilities.* This bill would require one of the measures reviewed and recommended by CSAC to include time and faculty support provided in high school for FAFSA completion. *Is it appropriate to direct CSAC, as opposed to the Department of Education, to review and make recommendations regarding school district FAFSA-related activities? Should this bill move forward, the Committee may wish to strike this specific provision from the scope of the study.*
- 4) *Authority over FAFSA income data requirements.* This bill requires CSAC to make recommendations regarding the parental income application requirements of the FAFSA. The US Department of Education, not CSAC, has authority over the FAFSA and the disclosures and questions it includes. *Should this bill move forward, the Committee may wish to consider revising this provision.*

**REGISTERED SUPPORT / OPPOSITION:****Support**

Ready Nation (Sponsor)

**Opposition**

None on File

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