Date of Hearing: April 22, 2014

## ASSEMBLY COMMITTEE ON HIGHER EDUCATION Das Williams, Chair AB 2160 (Ting) – As Amended: April 10, 2014

<u>SUBJECT</u>: Cal Grant Program: grade point average.

<u>SUMMARY</u>: Would require a grade point average (GPA) for all high school seniors and graduates from the prior academic year at public schools to be submitted to the California Student Aid Commission (CSAC) electronically by a school or school district official. Provides for reimbursement to local agencies and school districts if the Commission on State Mandates determines a state mandated local cost from the implementation of this bill.

### EXISTING LAW:

- Requires GPAs for Cal Grant A and B applicants to be submitted to CSAC; requires GPAs to include a certification by a school official that the GPA is accurately reported; authorizes CSAC to establish grace periods for the receipt of GPAs and corrections; and, establishes Legislative intent that high schools and institutions of higher education certify GPAs of students in time to meet Cal Grant application deadlines. (EDC §69432)
- 2) Authorized school districts to release information from pupil records to agencies or organizations in connection with the application of a pupil for, or receipt of, financial aid. However, information permitting the personal identification of a pupil or his or her parents may be disclosed only as may be necessary for purposes as to determine the eligibility of the pupil for financial aid, to determine the amount of the financial aid, to determine the conditions that will be imposed regarding the financial aid, or to enforce the terms or conditions of the financial aid. (EDC §49076)

## FISCAL EFFECT: Unknown

<u>COMMENTS</u>: <u>Double referral</u>. This bill has been double referred to the Education Committee.

<u>Background</u>. To apply for a Cal Grant award, students (or parents of dependent students) are required, by March 2<sup>nd</sup>, to: (1) complete and submit the Free Application for Federal Student Aid (FAFSA); and, (2) file a verified GPA with CSAC. Some high schools and colleges automatically file their students' verified GPAs with CSAC and others do not. Students are responsible for determining whether the school has/will file the GPA automatically, or whether the student will need to obtain a Cal Grant GPA Verification Form, have it certified by the school official, and mail it to CSAC by the deadline.

Education Trust-West Report. The Education Trust-West (ETW) is the sponsor of this bill. ETW issued a report in 2013 entitled "The Cost of Opportunity" which found that only 54% of California's 12<sup>th</sup> graders completed a FAFSA in 2012, and only 50% completed both steps of the requirements to apply for a Cal Grant by the March 2<sup>nd</sup> deadline. In 2014, a follow up Equity Alert entitled "Doorways to College Aid: Boosting Access to Financial Aid in California" found that 2013 rates increased statewide by 7% and 8% respectively; a total of 25,000 additional FAFSA completions and more than 30,000 additional Cal Grant applications. ETW notes that, while these increases highlight the work by school districts and the state to help students apply for financial aid, still 170,000 (42%) 12<sup>th</sup> graders from the class of 2013 did not complete a Cal Grant application.

ETW notes that one "high-impact practice employed by districts is to submit GPAs electronically for all students. Some districts continue to balk at adopting this practice due to privacy concerns despite the fact that it has proven effective in getting more students into the pipeline for college aid. A number of districts that have shifted to this practice have seen dramatic gains in the number of Cal Grant awards offered to their students." ETW research indicates that districts that piloted using electronic GPA verification and other data-driven practices found a 15% increase in Cal Grant completion: 71% compared to 56% for other school districts.

<u>Purpose of this bill</u>. This bill would require public high schools to electronically transfer high school GPAs for all high school seniors and prior year graduates to CSAC. According to the author, while some districts already provide GPAs to CSAC for all or some students, many do not. The author notes that Los Angeles and San Francisco unified school districts are already providing GPAs for all high school seniors to CSAC and, according to the author, report that costs for computer programming are minor and absorbable and districts experienced an overall cost savings associated with high school counselors no longer being required to complete paper forms for students. The author also notes that CSAC reported processing over 70,000 paper GPA forms in 2013, taking significant staff time. The author believes that overall cost savings associated with this bill could result in more time for high school counsellors and CSAC to outreach to students encouraging FAFSA completion. Without legislation, the author argues "it would take several years for all school districts to implement the best practice in this bill."

<u>CSAC WebGrants</u>. WebGrants is CSAC's internet-based access for Cal Grant GPA submission for high schools. It provides high schools with the ability to upload student GPAs and determine if a student has completed a FAFSA, schools can also search and edit records, download CSAC policy memos and bulletins, print School of Origin Reports, and use other high school GPA collection tools. According to the California Community College Chancellor's Office (CCCCO), currently all community colleges are using WebGrants to upload GPAs for students enrolled in the last two years. According to CSAC, 71 districts upload GPAs using WebGrants for all 12<sup>th</sup> graders and some also provide GPAs for the prior year graduates. When CSAC finds students for whom they have received GPA, but not FAFSAs, CSAC provides a report of those GPAs to the schools; ideally a school uses that information to contact students to ensure FAFSA completion.

<u>Privacy rights</u>. The federal Family Educational Rights and Privacy Act (FERPA) applies to all schools that receive federal funding through the U.S. Department of Education and protects the privacy of student educational records. Generally, schools must have written permission from the parent or eligible student in order to release any information from a student's educational record. However, schools are authorized to disclose records without consent to specific parties or under specific conditions, including to appropriate parties in connection with financial aid to a student. This exemption is currently used to authorize the provision of student GPAs to CSAC when a student is applying for financial aid. There may be a question as to whether this exemption also covers the provision of all GPAs for all students to CSAC, regardless of whether the student is applying for financial aid. Committee staff understands that the CCCCO and CSAC have developed an MOU outlining appropriate uses of this student data, to ensure compliance with FERPA.

# The committee may wish to consider, to address student privacy concerns, an amendment to require CSAC to allow a student to "opt out" of the automatic GPA transmission.

Linking other resources for students. This bill proposes to address one factor relevant to a student's application for financial aid. However, the overarching goal of the author appears to be to increase student college-going rates. There are existing tools that provide students resources on college preparedness and enrollment. For example, the California Colleges website (Californiacolleges.edu) provides complete information about higher education in California for students, counselors, and parents. Developed in collaboration with California's public and independent colleges and universities and the California Department of Education, it allows students to explore colleges and careers, plan for admission requirements and investigate financial aid options, and portals students to college and financial aid applications. A pilot program within California Colleges allows students and school counselors, at participating pilot high schools, to create portfolios that contain student specific data to help inform choices. To address larger goals, the author may wish to evaluate the possibility of linking financial aid application pathways (as established in this bill) with existing tools for students to determine their own college readiness and to evaluate potential college options.

### **REGISTERED SUPPORT / OPPOSITION:**

Support Support

California State University, Chancellor's Office The Education-Trust West

**Opposition** 

None on file.

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