

Date of Hearing: July 8, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

SB 244 (Grayson) – As Amended May 23, 2025

SENATE VOTE: 39-0

SUBJECT: Public postsecondary education: disabled student services: assessments

SUMMARY: Requires, upon appropriation, the California State University (CSU) Trustees and requests the University of California (UC) Regents, to cover diagnostic assessment costs, except as provided, for learning disabilities as proof for academic accommodations for any student who receives student financial aid or who is eligible for financial assistance from the campus health or disability center. It further requires the California Student Aid Commission (CSAC) to oversee reimbursement with state funds provided for this purpose to CSU and UC for their documented costs for diagnostic services. Specifically, **this bill:**

- 1) Requires, commencing July 1, 2027 and upon appropriation in the annual Budget Act, the CSU Trustees and requests the UC Regents, to cover diagnostic assessment costs for learning disabilities, including continuing assessments, any required documentation, and individual and group assessments provided by the institution or an outside entity if arranged directly by the institution, as proof for academic accommodations for any student who meets either of the following criteria:
 - a) The student receives student financial aid; and,
 - b) The student is eligible for financial assistance from the institution's health or disability center.
- 2) Specifies that the CSU Trustees and the UC Regents are not required to cover the costs of diagnostic assessments if the diagnostic assessments are covered by a health insurance plan, as specified.
- 3) Requires that state funds be provided annually for the cost of diagnostic assessments covered by CSU and UC on an actual-cost basis, including wages for the individuals providing these services and expenses for attendant supplies.
- 4) Requires that each institution be responsible for documenting assessment costs for reimbursement from CSAC.
- 5) Requires CSU and requests UC to post on their respective website that assessment costs for eligible students will be covered by that institution, as described.
- 6) Modifies the intent of the Legislature relating to diagnostic assessments by including costs for continuing assessments, required documentation, and individual and group assessments provided by the educational institution or by an outside entity, as provided. It also expands

the purposes of the assessments to include defining specific disabilities of the student and as proof for academic or institutional accommodations.

- 7) Provides that the bill's provisions do not limit the educational institution's ability to refer students to an outside entity for diagnostic assessment services.

EXISTING LAW:

- 1) Makes legislative findings and declarations that set forth the principles for public postsecondary institutions and budgetary control agencies to observe in providing postsecondary programs and services for students with disabilities, including the principle that state-funded activity is directly related to the functional limitations of the verifiable disabilities of the students to be served.

Additionally, establishes the intent of the Legislature that, as appropriate for each postsecondary segment, funds for disabled student programs and services be based on three categories of costs, including a continuing variable costs category for services that vary in frequency depending on the needs of students, such as, among other services, diagnostic assessment, including both individual and group assessment not otherwise provided by the institution to determine functional, educational, or employment levels or to certify specific disabilities. (Education Code (EDC) Section 67311)

- 2) Makes, under the Lanterman Developmental Disabilities Services Act, the Department of Developmental Services responsible for providing various services and supports to individuals with developmental disabilities, and for ensuring the appropriateness and quality of those services and supports. (Welfare and Institutions Code Sections 4500-4501.5)
- 3) Establishes the CSAC as the state agency charged with administering state financial aid programs to qualifying students enrolled in institutions of higher education (IHE) throughout the state. (EDC Section 69510 et. seq.)

FISCAL EFFECT: According to the Senate Committee on Appropriations:

- 1) While the bill's requirements would be contingent upon an appropriation, it could result in General Fund cost pressures for the CSU and UC to cover the costs of diagnostic assessments. These costs would depend on the number of students that come forward for testing as a result of this bill as well as the cost of the diagnostic assessments. The CSU estimates General Fund costs of approximately \$1.2 million each year for the assessments and an additional \$2.5 million if each campus were to hire a Learning Disabilities Specialist to administer the assessments. The UC estimates a range of \$1.3 million to \$5.8 million in ongoing General Fund costs as it would depend on campus needs for the type of staff needed and the number of eligible students.
- 2) Requires that state funds be provided each year to cover all documented costs related to the diagnostic assessments, and that the California Student Aid Commission (CSAC) oversee the reimbursement of these costs to the institutions. The CSAC estimates General Fund costs of

approximately \$309,000 and 2.0 positions for the expanded workload necessary to comply with the bill's requirements.

COMMENTS: *Purpose.* According to the author, “Although students with disabilities in higher education are protected by state, federal, and local laws, they continue to face significant financial and logistical barriers to academic success. Diagnostic assessments can cost thousands of dollars, leaving many students unable to access needed accommodations. SB 244 expands the Legislature’s commitment to educational equity by ensuring that students with disabilities are not financially burdened when seeking the assessments necessary to access academic accommodations.”

Background. The National Center for Education Statistics estimates that nationwide, 21% of undergraduates in 2019-20 and 11% of graduate students reported having a disability. These are students who reported having deafness or serious difficulty hearing, blindness or serious difficulty seeing, remembering, or making decisions because of a physical or mental or emotional condition, or serious difficulty walking or climbing stairs. California-specific data was not provided.

Further, information cited by the U.S. Census’ American Community Survey, shows that among the 40.5 million people who are 25 or older and report having a disability, 21% held a bachelor’s degree or higher in 2023. This is lower than the rate of 38% among those who did not report a disability in 2023. Among the students who reported having a disability, 45% received a federal Pell Grant. The Pell Grant award is meant for students who demonstrate exceptional financial need. According to the National Center for College Students with Disabilities, students with disabilities identified being unaware of their campus disability resource office and its services, challenges navigating campus procedures, and inadequate accommodations as barriers to access and participation on campus. The potential to enhance the level of support provided to students with disabilities exists.

Accommodations on campus. Colleges can require proof of disability for academic accommodations but are not required to pay diagnostic assessment costs. Federal law, specifically Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act of 1990, prohibits discrimination on the basis of disability.

Section 504 and Title II apply to both K-12 schools and IHEs. However, unlike K-12 schools, an IHE is not required to identify a student as having a disability, assess a student’s needs or, provide a free appropriate public education to them. Instead, a student with disabilities must inform an IHE of their disability and request supports. An IHE may require a student to provide documentation proving they have a disability. If the documentation a student has does not meet the IHE’s requirements, a student may need to obtain further proof of disability. Once adequate proof of disability is provided to an IHE, federal law requires the IHE to provide supports to a student with disabilities.

Documentation provided to students with disabilities at their K-12 school, known as an individualized education program (IEP) or Section 504 plan, is generally not sufficient

documentation to secure supports at an IHE. This is because of the differences in learning between secondary and postsecondary education may necessitate further assessments.

Current state and federal law does not require an IHE to pay the costs for a student to complete an assessment and obtain necessary documentation to prove their disability and, therefore, gain supports at the IHE. Students may have health insurance to cover these costs or may apply to the state's vocational rehabilitation agency to cover costs. In other cases, a student may need to pay for an assessment and associated documents out-of-pocket. As noted by the author, the costs of these assessments and documents may cost between \$500 and \$2,500.

Arguments in support. The California Disability Services Association wrote that in support of SB 244 (Grayson), noting that the bill “would help increase access to necessary diagnostic assessments for learning disabilities, which are essential for obtaining appropriate academic accommodations for students with disabilities. This legislation recognizes that the financial burden of diagnostic assessments can impede students from accessing the support they need to succeed academically. These assessments are a critical gateway to academic accommodations and are often required to ensure students with disabilities receive the individualized supports they need to succeed in higher education. By providing state-funded coverage for these assessments, SB 244 promotes inclusivity and supports the academic success of students with disabilities. By removing financial barriers to evaluation, this bill helps level the playing field and supports the academic and long-term success of students with disabilities. CDSA strongly supports initiatives like these that increase the long-term stability and success of the individuals with [intellectual and developmental disabilities] that our providers serve every day.”

Prior legislation. AB 624 (Grayson, 2024), nearly identical to this bill, would have required Trustees of the CSU and requests the UC Regents, to cover the costs of diagnostic assessments as proof for academic accommodations for any student who receives student financial aid or who is eligible for financial assistance from the campus health or disability center. Further, this bill would have required the Department of General Services to oversee reimbursement to institutions for their documented costs for diagnostic services. AB 624 was approved unanimously by this committee but was vetoed by the Governor, whose message read in part:

“While I support the author’s goal of supporting students with learning disabilities, unfortunately, the bill creates at least \$5 million in ongoing General Fund costs that are not reflected in the state's current fiscal plan. Additionally, the Department of General Services may not be the appropriate entity to administer the reimbursement.”

REGISTERED SUPPORT / OPPOSITION:

Support

Associated Students of the University of California
Association of Regional Center Agencies
California Disability Services Association
California Youth Empowerment Network
California State Council on Developmental Disabilities

Opposition

None on file.

Analysis Prepared by: Kevin J. Powers / HIGHER ED. / (916) 319-3960