

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Mike Fong, Chair
AB 2251 (Celeste Rodriguez) – As Introduced February 19, 2026

SUBJECT: Student financial aid: Cal Grant Program: cost of attendance.

SUMMARY: Adds a new condition for Cal Grant institutional eligibility by requiring qualifying postsecondary institutions to develop and implement a cost of attendance (COA) policy and adjustment process consistent with federal standards. Specifically, **this bill:**

- 1) Requires, by the start of the 2027–28 academic year, that a qualifying institution under the Cal Grant Program develop and implement a COA policy and adjustment process consistent with federal law.
- 2) Requires institutions to prominently display the data sources and assumptions used to calculate each component of the institution’s COA budget.
- 3) Requires institutions to maintain a COA adjustment process that allows students to request adjustments for expense categories such as housing, food, transportation, books and supplies, personal expenses, dependent care, disability-related costs, uninsured medical expenses, and computer purchases.
- 4) Requires institutions to accept electronic or paper requests, complete review of completed requests within 30 business days, provide reasons for denials, and offer a second review by a different reviewer upon request.
- 5) Prohibits institutions from imposing unduly restrictive deadlines, and requires institutions to allow students to submit COA adjustment requests throughout enrollment.
- 6) Makes these COA requirements part of the definition of a “qualifying institution” for Cal Grant participation.
- 7) Makes several legislative declarations and findings.

EXISTING LAW: *Federal law.*

- 1) Requires, the U. S. Secretary of Education to make available to the public on the College Navigator website information about each institution of higher education that participates in federal financial aid programs, including, but not limited to, the COA of first-time, full-time undergraduate students who live on campus for those who live off – campus. Current regulations also require the College Navigator to include information on cost of attendance for residents and non-residents (United States Code (U.S.C) Title 20, Section 1015a).
- 2) Defines “COA” as:
 - a) Tuition and fees including cost for required equipment, materials, or supplies;

- b) The cost of books, supplies, transportation, and miscellaneous personal expenses including a computer;
- c) The cost of room and board as determined by the institution for a student living on campus, a student living off campus with their parents, and for all other students the cost shall be based on reasonable costs incurred by students for room and board;
- d) For students enrolled less than half-time, tuition and fees and an allowance for specified additional costs;
- e) Specified restrictions for those who are either, engaged in workstudy, studying abroad, are incarcerated, have dependents, are attending online, or are disabled (20 U.S.C. Section 1087II).

State law.

- 1) Establishes the Donahoe Higher Education Act, setting forth the mission of the UC, CSU, and CCC; and, defines "independent institutions of higher education" as nonpublic higher education institutions that grant undergraduate degrees, graduate degrees, or both, and that are formed as nonprofit corporations in California and are accredited by an agency recognized by the United States Department of Education. For purposes of any code or statute, a national or regional accrediting agency recognized by the United States Department of Education as of January 1, 2025, shall retain that recognition until July 1, 2029, provided that the accrediting agency continues to operate in substantially the same manner as it did on January 1, 2025. (Education Code (EC) Section 66010, et seq.).
- 2) Requires each campus of the CSU, and requests each campus of the UC, to post on its internet website on or before February 1, 2020, and on or before February 1 each year thereafter: (1) information about the market cost of 2-bedroom apartments and one-person bedrooms in private houses in the areas near that campus where its students commonly reside; (2) separate estimates of other cost-of-living categories, including, but not limited to, living at home or in a permanent residence, food, transportation, books and supplies, miscellaneous expenses, tuition, and mandatory student fees; (3) descriptions of the data sources and methods used to calculate its estimates for each cost-of-living category; and (4) a statement emphasizing the variability of actual costs for individual students and encouraging prospective students and their families to consider how their own costs might differ from those given in the estimates (EC Section 66014.2).
- 3) Requires the CCC and CSU, and requests the UC, on or by July 31, 2025, to develop a policy for estimating and adjusting COA budgets for student parents, as specified (EC 66027.82).
- 4) Requires, by January 1, 2020, each campus of the UC, CSU, and CCC, each independent institution of higher education, and each private postsecondary educational institution subject to the California Private Postsecondary Education Act of 2009 that participates in federal financial aid or veterans financial aid programs, to provide students with the Financial Aid Shopping Sheet developed by the U.S. Department of Education to inform admitted students or individuals who have been offered admission about financial aid award packages (EC Sections 66021.3 and 94912.5).

- 5) Defines “COA” as the mandatory systemwide fees, books and supplies, room and board, transportation, and miscellaneous personal expenses for an undergraduate California resident student, as used in determining financial aid eligibility (EC Section 66028.1).
- 6) Requires the UC Regents and the CSU Trustees to annually provide the Legislature, by February 1 of each year, detailed information regarding expenditures of revenues derived from student fees and uses of institutional financial aid, and provide information regarding the systemwide average total cost of attendance per student (EC Section 66028.6).
- 7) Requires each institution of higher education with a physical presence in this state to separately list the cost of institutionally operated housing and meal plans on all websites and documents it provides to students for purposes of advertising or otherwise displaying the student costs associated with institutionally operated housing (EC Section 69503.6).
- 8) Requires, commencing with the 2018-19 award year, that each higher education institution (except the CCC), to the extent feasible, send an individualized letter to their students regarding information on their student loans; and, specifies that if an institution is not able to provide a student with estimates, the institution shall inform their students in the letter that they may view their financial aid history via the National Student Loan Data System (NSLDS) and must provide the Internet Web site link to the system (EC 69509.6).
- 9) Requires the UC to report biennially to the Legislature and the Department of Finance, by October 1 of each even-numbered year, on the total costs of education at the UC; the report must identify the costs of undergraduate education, graduate academic education, graduate professional education, and research activities. Requires all four of these categories to be reported in total and disaggregated separately by specified disciplines. Additionally, existing law requires the costs to be reported on both a systemwide and campus-by-campus basis for any report submitted after January 1, 2017. Requires a report prepared after January 1, 2017, to include information on costs, disaggregated by campus, based on the methodology developed by the National Association of College and University Business Officers in its February 2002 report, and other methodologies determined by the UC (EC Section 92670).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* According to the author, “a college education is a significant financial investment, and costs are rising. The Cost of Attendance (COA) is the average total cost to attend college for one academic year, including tuition, fees, housing, food, books, and transportation. When colleges set the COA too low, it limits the financial aid students can receive, leaving them to pick up extra jobs, take on more debt, or even drop out. Students from low-income backgrounds, first-generation students, foster youth, and unhoused students are particularly vulnerable, and they should be top of mind if we want to ensure that higher education is accessible and equitable to everyone. AB 2251 closes the gap by ensuring students have a transparent, timely path to update their financial aid when their real-life costs don’t match what’s on paper.”

The author states that, “this bill is about making college more affordable and more honest so students can stay focused on their education, and not just on how to afford it. Students facing financial barriers to higher education will likely be the ones to benefit the most from the implementation of this bill. Foster youth, low-income students, and students facing challenges in

meeting their basic needs, such as those without stable housing, are among the groups that would benefit from maximizing financial aid.^{1,2,3} By ensuring there is information on COA publicly available and a transparent and uniform process for adjustments, students facing financial hardships will have an opportunity to receive the financial assistance that reflects their lived reality.”

Cost of attendance. According to the Federal Student Aid, an office of the U.S. Department of Education, COA is determined by the Federal Higher Education Act, Section 472, and is not subject to regulation by the U.S. Department of Education. More specifically, the law specifies types of costs that are associated with the overall cost of attendance including tuition, fees, room and board (living expenses), books, supplies, transportation, and miscellaneous personal expenses. However how those costs are determined is left to the discretion of the individual institution as long as the costs are reasonably determined. The significance of the “COA” determination is the final fiscal number used to determine a student’s overall financial aid either from the federal government, the state, or from the institution.

Existing sources of COA. The College Navigator was created in response to a federal requirement by a former U.S. Secretary of Education to make the public aware of the COA of every college that participates in federal financial aid programs. The website contains information on the cost of attendance for first-time, full-time undergraduate students and includes the cost of various categories that contribute to the overall cost of attendance including housing; however, the federal government permits each campus who provides data to determine how it calculates the cost of housing.

Uniformity. In fall of 2022, the leaders of 10 higher education associations representing college presidents, financial aid offices, and admissions and school counselors announced the formation of a task force — the College Cost Transparency Initiative (CCT) — to tackle the issue of college cost transparency by improving the clarity, accuracy, and understanding of student financial aid offers by producing a set of guiding principles and minimal standards to be used when developing aid offers. The task force developed the principles and standards with broad consultation and recommendations from the higher education community.

The organizations represented on the College Cost Transparency Initiative task force are as follows: the American Council on Education (ACE), the American Association of Community Colleges (AACC), the American Association of State Colleges and Universities (AASCU), the Association of American Universities (AAU), the Association of Public and Land-Grant Universities (APLU), the National Association for College Admission Counseling (NACAC), the National Association of Independent Colleges and Universities (NAICU), the National Association of Student Financial Aid Administrators (NASFAA), the National Association of System Heads (NASH), and the State Higher Education Executive Officers Association (SHEEO).

In September 2023, the CCT task force announced that more than 360 institutions of higher education pledged their commitment to ensuring transparency, understanding, and clarity around

¹ <https://www.chapinhall.org/wp-content/uploads/Predictors-of-degree-completion-at-age-23.pdf>

² <https://lao.ca.gov/Publications/Report/4898>

³ <https://www.upjohn.org/research-highlights/college-affordability-crisis-hits-american-families-different-ways>

student financial aid offers by incorporating the CCT Standards. As of March 2026, 750 institutions of higher education have pledged to implement the CCT Standards; representing 7,078,794 students in all 50 of the United States, Puerto Rico, and Guam. As of April 2025, several California institutions of higher education have begun using CCT Standards and/or have pledged their commitment to implementing CCT Standards in the future. The CCT Standards stipulate that colleges and universities must ensure that all financial aid offers are clear about the costs and the available financial aid. Standards ensure students and families can compare financial aid offers and costs from multiple institutions.

Critical components to be included and displayed prominently on every financial aid offer include:

- 1) An estimate of a student's total COA, including a breakdown of the costs to be paid to the college or university and the costs paid to others;
- 2) The type and source of all financial aid being offered, separated into:
 - a) Grants and scholarships that do not need to be repaid;
 - b) Student loans or other financing that must be repaid; and,
 - c) Student employment or work.
- 3) An estimated net price for the student, derived by subtracting grants and scholarships from the total COA;
- 4) Information, either on the financial aid offer or by an easily identified and accessible web link, explaining whether the financial aid is being offered once or on an ongoing basis, and if the aid is renewable, any requirements that must be met for renewal;
- 5) All loans should be unambiguously labeled as such using the word "loan;"
- 6) Use commonly understood terms and definitions, using the College Cost Transparency Initiative's glossary of terms; and,
- 7) In addition, financial aid offers must include the following, either directly on the financial aid offer, as part of supplemental materials, or as easily accessible web links:
 - a) If student employment is offered, information about employment requirements and information on job placement;
 - b) If federal student loans are included, terms and conditions and information on how much such debt may cost over time; and,
 - c) Actionable next steps for students to accept or decline their financial aid or update one of the data elements used to calculate their estimated costs, such as housing, as well as important dates and contact information for the financial aid office.

Institutions may use their own judgment when deciding which aid types should be included on financial aid offers, e.g., institutions that do not package loans, or if a student is not eligible for a specific aid type, do not need to include that aid type on the financial aid offer.

Can more be done? While a more concerted effort remains under way for ensuring students and their guardians are fully aware of COA, according to the author, “a 2024 survey collected responses from students across 104 institutions, and among their findings, they cited that students face numerous challenges to academic success, including high rates of financial fragility and having to work full-time.⁴ Institutions are required to offer an appeals process, with specific documentation, for students to modify their COA and financial aid eligibility.⁵ Despite this, students face barriers in accessing this option. Previous research by JBAY in 2024, reported that nearly two-thirds of institutions don’t have COA adjustment policies publicly available on their websites.”⁶

The chart below, from the John Burton Advocates for Youth (JBAY), March 2026 report, titled, *Transparency of Cost of Attendance Adjustment Processes Across California Public Colleges and Universities*, displays the analysis findings of the report, which, in part, finds that across all three public postsecondary education segments in the State, 57% of campus websites include a reference to the ability for students to request a COA adjustment, while 43% do not.

Analysis of All Campus Websites	Community Colleges (N=116)	CSUs (N=23)	UCs (N=9)	Three Sectors Combined (N=148)
Posts information about the COA appeal process somewhere on their website.	54%	61%	100%	57%
Publishes the data sources and assumptions used to calculate the institution’s COA budget on the website.	17%	26%	22%	18%

Analysis of Subset of Campus Websites with COA Appeal Information	Community Colleges (N=62)	CSUs (N=14)	UCs (N=9)	Three Sectors Combined (N=85)
The website states that a broad range of expense categories would be considered when reviewing COA appeals.	50%	36%	100%	30%
The website states that students may submit appeal documentation either electronically or in paper form.	26%	7%	11%	14%
The website states a decision on a COA appeal will be made within a 30-day timeframe.	6%	29%	11%	7%

While the overall rate of campus websites including information about COA adjustments appears relatively low, neither Federal nor State law requires campuses to publicly post this information.

⁴ Fletcher, C., Cornett, A., Plumb, M.H., and Ashton, B. (2025). Student Financial Wellness Survey report: Fall 2024. Trellis Strategies.https://www.trellisstrategies.org/wp-content/uploads/2025/04/SFWS-Aggregate-Report_FALL-2024_FINAL.pdf

⁵ https://www.nasfaa.org/uploads/documents/PJ_Changes_2-Pager.pdf

⁶ <https://jbay.org/resources/college-costs-uncovered/>

This measure, in part, will provide students with the ability to request adjustments to any expense category included in the institution's COA budget.

Committee comments and amendments. While this measure appears to fit within a broader affordability discussion in California higher education by focusing not only on tuition, but also on basic-needs-related costs that often drive student hardship, *the author and Committee may wish to discuss whether particularly resource strained campuses can implement the bill uniformly by 2027–28.*

Additionally, institutions may need to determine how detailed their public COA methodology disclosures must be, how to document “reasonable” student expenses, and how to staff review timelines during peak financial aid periods.

To provide clarity and address staffing shortages that many campuses are facing, *the Committee recommends, and the author has agreed to accept, the following amendments:*

(F) Allow a student to submit a cost of attendance adjustment request ~~at any time~~ during enrollment. The institution shall **not impose cost of attendance adjustment request deadlines that are earlier than three weeks before the end of each term. The institution shall not** limit the total number of requests that may be submitted by a student throughout the duration of the student's enrollment. ~~The institution shall not impose cost of attendance adjustment request deadlines that are earlier than three weeks before the end of each term.~~

(G) ~~If requested by the student, provide a second review process for an adjustment request that is denied. The second review shall be conducted by a reviewer who did not participate in the first review.~~ **If requested by the student, an institution may provide a second review process for an adjustment request that is denied. The second review may be conducted by a reviewer who did not participate in the first review.**

Arguments in support. According to the JBAY, sponsors of this measure, “Cost of attendance (COA) is a central factor in determining the maximum amount of financial aid a student can receive. COA represents an institution's estimate of the total cost of attending college, including tuition, fees, housing, food, transportation, books and supplies, and other related expenses. Federal policy allows financial aid administrators to adjust elements of a student's COA on a documented, case-by-case basis when actual expenses exceed institutional estimates. When implemented effectively, this process ensures students can access the full financial aid for which they qualify and remain enrolled.”

Further, JBAY states that, “COA adjustment practices vary widely across campuses, creating inequitable access for students with financial need. Many institutions do not make information about how COA figures are calculated publicly available, and a statewide analysis found that two-thirds of institutions do not publish COA appeal information online. As a result, students are often unaware that adjustment options even exist. This lack of transparency disproportionately impacts students who face higher costs or limited financial support, such as low-income students, students with experience in foster care or homelessness, and student parents. These students may be forced to decline urgently needed aid after reaching their COA cap, undermining their ability to meet basic needs and persist in college.”

Prior legislation. AB 791 (Berman), of 2025, which was held on suspense in the Assembly Committee on Appropriations, was similar to this measure.

SB 416 (Pérez), of 2025, which was held on suspense in the Senate Committee on Appropriations, in part, requires the California Student Aid Commission, on or by April 1, 2026, to convene a workgroup, as specified, that would identify common terms, definitions, and structure of financial aid offer letters sent by postsecondary educational institutions, and would require, on or before July 1, 2027, the workgroup to create a financial aid offer letter template that by the start of the 2028-29 academic year, all postsecondary institutions would need to use, as specified.

AB 2458 (Berman and Boerner), Chapter 962, Statutes of 2024, in part, establishes the Greater Accessibility, Information, Notice, and Support (GAINS) for Student Parents Act, requiring the CCC Chancellor's Office and CSU Chancellor's Office and requesting the UC President's Office, by July 31, 2025, to develop and disseminate a model policy to estimate and adjust college COA information for student parents.

AB 789 (Berman), Chapter 544, Statutes of 2023, requires, as part of the criteria to be deemed a qualifying institution of higher education (IHE) under the Cal Grant Program, an IHE, by the 2024–25 academic year, to comply with various requirements regarding “satisfactory academic progress” (SAP) standards used to determine if a student qualifies for a Cal Grant and to develop and implement policies defining SAP in a manner that is consistent with the federal standards.

AB 2491 (Cervantes) of the 2021-22 Legislative Session, which was held on the Suspense File in the Assembly Committee on Appropriations, in part, would establish the Housing Cost of Attendance Act for the purpose of calculating and determining the cost of housing to be included in a full-time student's COA at the CCC, the CSU, and the UC.

AB 710 (Cervantes) of the 2019-20 Legislative Session, which was vetoed by the Governor, would have established the Housing Cost of Attendance Act and required an institution in the CCC, CSU, or the UC systems and an independent and private postsecondary institution to use the specified items in its calculation of a full-time student's COA.

SB 467 (Monning), Chapter 527, Statutes of 2019, requires each campus of the CSU and requests each campus of the UC, to post information on its internet websites relative to specified estimated total COA expenses students will incur.

AB 1858 (Ian Calderon), Chapter 671, Statutes of 2018, in part, requires, by January 1, 2020, each campus of the UC, CSU, and CCC, each independent institution of higher education, and each private postsecondary educational institution subject to the California Private Postsecondary Education Act of 2009 that participates in federal financial aid or veterans financial aid programs, to provide students with the Financial Aid Shopping Sheet developed by the USDE to inform admitted students or individuals who have been offered admission about financial aid award packages.

AB 1961 (Choi), Chapter 314, Statutes of 2018, in part, requires each institution of higher learning (i. e. UC, CSU, CCC, and independent colleges and universities) with a physical presence in the state to separately list the cost of institutionally operated housing and meal plans on all internet websites and documents it provides to students for purposes of advertising or otherwise displaying the student costs associated with institutionally operated housing.

AB 3213 (Rob Bonta) of 2018, which was held on the Assembly Appropriations Suspense File, in part, required the CSU, the UC, and independent institutions of higher education to include at a minimum, specified items, including tuition and fees, in a calculation of a full-time student's COA at that institution.

AB 990 (Freddie Rodriguez), Chapter 170, Statutes of 2017, in part, requires each campus of the CSU, and requests each campus of the UC, to annually post on its internet websites information about the market cost of a one-bedroom apartment in the areas surrounding the campus.

AB 1064 (Ian Calderon) of 2017, which was vetoed by the Governor, in part, required the CSU to conduct a survey every three years at each campus to determine the average student's annual discretionary expenses, excluding tuition and fees, to attend the campus.

AB 1178 (Ian Calderon), Chapter 448, Statutes of 2017, in part, commencing with the 2018-19 award year, requires each higher education institution (except the CCC), to the extent feasible, send an individualized letter to their students regarding information on their student loans.

REGISTERED SUPPORT / OPPOSITION:

Support

John Burton Advocates for Youth (Sponsor)
California State Student Association (Co-Sponsor)
California Student Aid Commission (Co-Sponsor)
Cal Poly Humboldt Elite Scholars Program
California Alliance of Caregivers
California Competes: Higher Education for a Strong Economy
Chabot College GSP/NextUp
Children Now
Children Youth & Family Collaborative
EdTrust-West
Foster Youth Pre-college Collective
GENUP
Indivisible Alta Pasadena
Journey House
Los Angeles Unified School District
National Center for Youth Law (NCYL)
Nextgen California
Ohlone College NextUp
Public Advocates
Rowland Unified School District
San Bernardino Valley College Guardian Scholars
San Diego City College - NextUp Program
Santa Cruz County Office of Education
Schoolhouse Connection
Southern California College Attainment Network
The Institute for College Access & Success
UC Davis Guardian Scholars
UC Riverside Foster Youth Support Services
UCLA CalKids Institute

United Friends of the Children
University of California Student Association

Opposition

None on file.

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