

Date of Hearing: April 19, 2022

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 2266 (Santiago and McCarty) – As Introduced February 16, 2022

SUBJECT: Community colleges: California College Promise: fee waiver eligibility.

SUMMARY: Removes, for purposes of eligibility for the fee waiver in the California College Promise Program, the qualification that students be first-time students and the exclusion of students who have previously earned a degree or certificate from a postsecondary educational institution.

EXISTING LAW:

- 1) Establishes a \$46/unit fee for students at the California Community Colleges (CCC), and waivers of such.
- 2) Provides for a waiver of fees for certain types of students, including those who meet minimum academic and progress standards adopted by the CCC Board of Governors (BOG) and have household incomes below certain thresholds established by the BOG or have demonstrated financial need pursuant to federal law.
- 3) Provides funding through state apportionments, pursuant to provisional language in the annual budget act, to offset districts' loss of fee revenue due to the BOG fee waiver, now referred to as the CCC Promise Grant (Education Code (EC) Section 76300).
- 4) Establishes the California College Promise Program, which authorizes districts to waive fees for one academic year for first-time CCC students enrolling in 12 or more units per semester who also complete and submit either a Free Application for Federal Student Aid (FAFSA) or a California Dream Act application. Specifies that a student enrolled in fewer than 12 units may be deemed full-time at the discretion of the CCC if the student has been certified as full-time by a staff person in the Disabled Students Programs and Services (DSPS) at the CCC.
- 5) Declares legislative intent that sufficient funding be allocated to each community college to waive all student fees pursuant to (4).
- 6) Notwithstanding the fee waiver authorization per (4), the California College Promise legislation allows districts to use funds, as specified, toward meeting other specified goals: (a) increasing college directly from high school and increasing the percentage of students placed directly in non-remedial courses; (b) increasing the percentage of students earning associate degrees or certificates; (c) increasing the percentage of students transferring to four-year institutions; and (d) reducing achievement gaps.
- 7) Requires districts, in order to participate in, and receive funding for, the Promise Program to meet the following requirements: (a) partnering with local educational agencies on college outreach activities and to improve high school preparation for college; (b) using evidenced-based assessment and placement practices; (c) participating in the CCC Guided Pathways Grant Program to help students enter and stay on an academic path; (d) ensuring students

complete the FAFSA or Dream Act application; and (e) participating in a federal student loan program (EC Section 76393, et seq.).

- 8) Establishes the Community Colleges Student Success Completion Grant, which supplements the Cal Grant B access award by up to \$1,298 annually for students enrolled in 12, 13 or 14 units per semester and up to \$4,000 annually for student taking 15 or more units per semester (EC Section 88930).

FISCAL EFFECT: Unknown

COMMENTS: *BOG Waiver.* In 1984, when CCC enrollment fees were first introduced, the Legislature created the BOG fee waiver program, now called the California Promise Grant. This program waives the \$46 per unit enrollment fee for any CCC student who can demonstrate financial need, i.e. the difference between the total cost of attendance and the amount, based on a federal formula, that a student's family is expected to contribute toward that cost. Students apply for this fee waiver by completing either a FAFSA or a shorter form developed by the CCC Chancellor's Office, and the waiver is received for whatever number of units a student takes. (According to the CCC's grant application form, a student from a family of four with income below \$39,300 would be eligible for a Promise Grant in the current academic year.) According to the CCC Chancellor's Office, nearly 50% of CCC students have their enrollment fees waived through the California Promise Grant.

New Waiver Program. AB 19 (Santiago), Chapter 735, Statutes of 2017, established the California College Promise Program. The Legislature's stated intent in creating the program was to support the community colleges in increasing college readiness, improving student outcomes, and reducing achievement gaps. The state provided \$46 million for this program in the current 2018-19 fiscal year. Under this program, community colleges are authorized, but not required, to waive fees for first-time, full-time students without financial need for their first year of college. To be eligible for these waivers, students must have no prior postsecondary coursework, enroll in 12 or more units per semester, and submit a FAFSA or a California Dream Act application. Colleges also are permitted to use their College Promise funds for a range of other purposes, such as providing supplemental services to students.

AB 2 (Santiago), Chapter 509, Statutes of 2019, further expanded the California College Promise Program by allowing a student enrolled in fewer than 12 units, and part of the DSPS, to be considered a full-time student for purposes of eligibility for the California College Promise program. Further, the measure stipulated that a student who has previously earned a degree or certificate from a postsecondary educational institution could not be eligible to benefit from the CCC Promise Program. Lastly, the measure specified that a fee waiver that a student receives per the CCC Promise Program, shall only be for two academic years, and fees shall only be waived for the summer term and each semester or quarter of an academic year in which the student maintains full-time status.

Committee Staff notes that the Program primarily benefits students who are not considered financially needy, while lower income students receiving the California Promise Grant and other waivers still face other challenges in meeting their total college costs. *The Legislature may have higher priorities for use of the funds.*

Need for the measure. According to the author, "It is California's responsibility to ensure that all students have the opportunity to pursue an affordable higher education. While the current

California College Promise Program has saved tens of thousands of first time students from going into debt, it currently excludes returning community college students from qualifying for free tuition. By removing the first-time requirement from the Promise program, AB 2266 will provide returning students with free tuition and encourage more students to complete their degree.”

How many? According to information provided by the author, since the implementation of the initial California College Promise Program:

- 1) In 2018-19, approximately 39,000 students received a Promise Program Waiver;
- 2) In 2019-20, approximately 28,967 students received a Promise Fee Waiver; and,
- 3) In 2020-21 approximately, 33,003 students received a Promise Fee Waiver.

Committee Staff notes that in the span of the last few years the CCC has experienced a decline in enrollment of about 20%.

Arguments in support. According to the Los Angeles Community College District, sponsors of the measure, “Our data shows that this program works for our students. By making this opportunity available to returning students, we are convinced that we will see many more students returning to complete their degree. The cost of waiving tuition for these students is small in comparison to the benefits that this will have to our local and state economy.”

Committee comments and amendments. Committee Staff understands that the intent of the author is to make it clear that eligibility for the California Promise Program is expanded to all community college students, while ensuring that it captures students who are taking their educational pursuits seriously.

With the aforementioned in mind, the Committee recommends, and the author has accepted, the following amendments:

76396.3. (b) (1) The community college may use funding appropriated pursuant to this article to waive some or all of the fees for **first-time community college students and returning community college students** who are enrolled at the college full time, and who complete and submit either a Free Application for Federal Student Aid or a California Dream Act application. A fee waiver that a **first-time or returning** student receives pursuant to this subdivision shall only be for...

(4) **“Returning community college student” means a student who has had a break of two or more semesters or the equivalent quarters.**

Additionally, as currently drafted, this measure removes, for purpose of eligibility for the fee waiver, the qualification that students who have previously earned a degree or certificate from a postsecondary educational institution are not eligible for this fee waiver. That is to say, this measure allows students who already hold a degree or certificate from a postsecondary educational institution to be eligible to receive the fee waiver associated with the California Promise Program.

Committee Staff notes that the aforementioned clause was amended into previous expansions of the Program in the Senate. The Senate may very well add this prohibition back into the measure.

The author may wish to work with the Senate in determining the best course of action.

The Committee may wish to discuss if it is prudent to expand the fee waiver to students who can afford to pay in order to earn an additional degree or certificate; does their ability to go for “free” take away from a student who has demonstrated financial need and has yet to earn a degree or certificate from the CCC or otherwise.

REGISTERED SUPPORT / OPPOSITION:**Support**

Los Angeles Community College District (Sponsor)
San José-Evergreen Community College District
Santa Monica College
UNITE-LA, Inc.
University of California Student Association

Opposition

None on file.

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