

Date of Hearing: April 26, 2022

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 2652 (McCarty) – As Amended April 6, 2022

SUBJECT: Student Aid Commission: California Dream Act applicants: Food Support Pilot Program

SUMMARY: Establishes a state-funded food support pilot program to provide California Food Assistance Program benefits to students who submit a California Dream Act application (CADAA). Specifically, **this bill**:

- 1) Requires the California Student Financial Aid commission (CSAC) to establish a state-funded food support pilot program to provide California Food Assistance Program (CFAP) benefits to students who submit a CADAA.
- 2) Requires CSAC to ensure if a student submits a CADAA, they are notified of the program, the income eligibility guidelines, and instructions for how to apply.
- 3) Stipulates this food support pilot program will only become operative if funds become available for this specific purpose in either the annual Budget Act or other statute.
- 4) Repeals the pilot program after January 1, 2025.

EXISTING LAW:

- 1) Establishes the federal nutrition program, Supplemental Nutrition Assistance Program (SNAP), pursuant to the Food Stamp Act of 1964 to provide funding to low-income households for food and essential household items. Requires the federal government to appropriate funds for the nutritional benefits and enables the states to distribute the funds and determine eligibility based on federal regulations (7 United States Code (U.S.C) Section 2011, *et seq.*).
- 2) Establishes a citizen requirement for SNAP benefits, including that undocumented immigrants are ineligible for SNAP including Deferred Action for Childhood Arrival students and AB 540 students, as specified (WIC 18930, *et seq.*).
- 3) Establishes the California CalFresh program to administer federal SNAP monetary benefits to qualifying families and individuals, as specified (Welfare and Institutions Code (WIC) Section 18900 *et seq.*).
- 4) Restricts any individual, who is enrolled at least half-time in an institution of higher education from qualifying for SNAP benefits, unless the individual qualifies for an exception, as specified (7 Code of Federal Regulations (CFR) 273.5(a)).
- 5) Clarifies that a college student, enrolled at least part-time, may qualify for SNAP nutritional benefits if they are:
 - a) Over the age of 50 or under the age of 17; or,

- b) Physically or mentally unfit; or,
 - c) Receiving Temporary Assistance for Needy Families under Title IV of the Social Security Act; or,
 - d) Enrolled in a Job Opportunities and Basic Skills program under Title IV of the Social Security Act or its successor program; or,
 - e) Employed for a minimum of 20 hours per week and are paid to the equivalent of Federal minimum wage for 20 hours of work per week; or,
 - f) Participating in a state or federally financed work study program during the regular school year; or,
 - g) Participating in an on-the-job training program; or,
 - h) Responsible for the care of a child under the age of six; or,
 - i) Responsible for the care of a child between the ages of six and twelve when adequate child care is not available to enable the student to work 20 hours a week; or,
 - j) A single parent enrolled full-time and are responsible for a child under the age of 12; or,
 - k) Enrolled in a program associated with the Job Training Partnership Act of 1974; an employment and training program funded by Carl Perkins and Technical Education Act of 2006, as defined; a program associated with the Trade Act of 1974 as defined; or an employment and training program for low-income households operated by the State or local government. (CRF 273.5(b)).
- 6) Establishes the CFAP for purposes of providing existing CalFresh and electronic benefits to qualifying immigrants. Authorizes the California Department of Social Services to use state funds to appropriate nutritional benefits through the CFAP to households who would otherwise qualify for CalFresh except for their immigration status. To the extent possible the manner in which CFAP benefits are used and delivered shall be identical to CalFresh or SNAP. Specifically, permits the CFAP to provide nutritional benefits to:
- a) Non-citizens who have been legally residing in the United States as an Legal Permanent Resident prior to August 22, 1996;
 - b) The applicant was/is battered or abused;
 - c) Qualified non-citizens who are no longer federally eligible under the seven-year time limited federal eligibility;
 - d) The applicant was sponsored on or after August 22, 1996, but whose sponsor has died, become disabled, or the applicant was abused by sponsor or the spouse of the sponsor.
 - e) Subject to appropriation in the Budget Act of 2023, the Legislature intends to expand CFAP in a targeted, age-based manner regardless of immigration status (WIC Section 18930).

- 7) Establishes CSAC as the state agency charged with administering state financial aid programs to qualifying students enrolled in institutions of higher education throughout the State (Education Code (EDC) Section 69510 et. seq.).
- 8) Requires the Board of Governors of the California Community College (CCC) and the Trustees of the CSU and requests the Regents of the UC, to adopt prescribed rules and regulations for the implementation of the below provisions and maintains that the student's information obtained by this section of law to be confidential.
 - a) Exempts a qualifying students from paying nonresident tuition at the CCC and the CSU, and requests the UC regents to adopt similar measures, if the student meets the following requirements:
 - i) The student is not nonimmigrant alien within the meaning of paragraph (15) of subsection (a) of Section 1101 of Title 8 of the United States Code, and,
 - ii) The student either:
 - (1) Attended full-time, as defined, for three years: a California high school, as defined, a California adult school, or a CCC; or,
 - (2) Completed three or more years of full-time high school coursework in California and a total of three or more years of attendance in a California elementary schools, California secondary schools, or a combination of both; and,
 - iii) Completed any of the following:
 - (1) Graduated from a California High School or attained an equivalent of a high school diploma;
 - (2) Obtained an associate degree from a CCC; or;
 - (3) Fulfilled the minimum transfer requirements for the CSU or UC; and,
 - iv) Registered as an entering student at, or is currently enrolled at an accredited institution of higher education in California no earlier than the fall semester or quarter of the 2001-2002 academic year.
 - b) Provides if the state court finds the above provisions or any provision adopted by the UC Regents, as unlawful, the court may order, as equitable relief, that the participating institution subject to the lawsuit terminate all loans awarded deemed unlawful, but no money damages, loans, or other retroactive relief, may be awarded. Provides that the CSU and UC are immune from the imposition of any award of money damages, loans, or other retroactive relief (EDC Section 68130.5).
- 9) Expands the eligibility of student financial aid programs offered by California to students who meet the requirement of Section 68130.5 or who meets the equivalent requirements adopted by the UC, notwithstanding any other law. Requires CSAC to create an application for student to apply for aid, as specified and provides it is the intent of the legislature that all forms of state-based aid in California to be made equally available to all students, as specified (EDC Section 69508.5).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* As described by the Author, “Far too many of California’s undocumented college and university students are experiencing food insecurity, yet they are still explicitly denied access to federal benefits, including CalFresh benefits. Students should be able to focus on their studies without worrying about where their next meal will come from. AB 2652 will ensure that immigration status is no longer a barrier to students getting the food access they need to succeed.”

California Food Assistance Program (CFAP). As detailed by the Legislative Analyst’s Office, the CFAP was established in 1996, when Congress passed a welfare reform act which restricted federal food assistances for certain noncitizens. Legal permanent residents would have to wait five years after entering the country and maintain a residence before they would become eligible for federally-funded food benefits. Despite the restrictions on federally provided food assistance programs, states were provided permission to provide state-funded assistance to populations affected by the policy change. CFAP was established to help those who were impacted by the change in federal policy. CFAP utilizes the same payment structure as CalFresh; however the federal government is responsible for depositing funds into participant accounts and the state reimburses the federal government the costs associated with administering the program. In 2021-2022, CFAP provided \$69 million in benefits or \$165 monthly per person). Due to the highly prescriptive nature of CFAP, a student would have to meet the criteria of both CalFresh, including the income eligibility and one of the 12 student exemptions, and the additional immigration requirements in order to qualify for CFAP. Therefore, it is safe to assume the pool of students who would be eligible for this program is very slim. Furthermore, due to their immigration status, CADAA applicants are not eligible for CalFresh or SNAP even if they are income qualified and meet one of the 12 student exemptions.

As it is currently written, AB 2652 (McCarty) would expand the eligibility pool of who would benefit from CFAP to include students who apply for the California Dream Act application and therefore would expand the pool of CFAP qualifying participant to include AB 540 students.

In the 2022-2023 January Budget proposal, Governor Newsom proposed to expand CFAP to all income eligible individuals aged 55 or older, regardless of their immigration status. The proposal allocates \$40 million in 2022-2023 to Department of Social Services to administrate the change and is expected to increase the allocation to \$113.4 million by 2025-2026. The administration anticipates this program servicing up to 75,000 people.

California Student Aid Commission (CSAC) Workgroup to expand access to CalFresh. In late 2020, CSAC convened a workgroup comprised of CalFresh experts, Legislative staff, representatives from the public higher education segments, and non-profit organizations, for the purpose of learning about, evaluating, and offering solution on how to expand access to CalFresh for all college students. The workgroup met for several months between 2020 and 2021 and in February 2022, a report on the workgroup’s findings and recommendations was published. In “Access to Proper Nutrition Equals College Success” the workgroup highlighted, approximately 50,000 students annually complete the CADAA. Undocumented students experience the same financial and basic needs challenges as their peers in higher education; yet, they do not experience the same level of access to food supports as their peers. While public higher education systems provide access to food pantries on campus, undocumented students are not able to utilize CalFresh which provides food assistance to 127,000 students annually. To provide

undocumented students with nutritional benefits, the workgroup established a recommendation for the state to establish a state-funded pilot Food Support Program for undocumented students who completed the CADDA. The suggested pilot would use CADDA data to determine eligibility and would utilize the existing CFAP program to provide benefits to students.

The workgroup not only examined the lack of equitable access to food benefits, it also examined the antiquated and arduous nature of CalFresh for college students. Even if a student completes the barrier ridden process of the two part approval process for CalFresh benefits, they still have to meet the income eligibility and the secondary approval requirement after six months and annually thereafter. The additional paperwork often leads to students exiting the program not because their basic needs are met elsewhere but because the process for continual approval is too taxing. The workgroup found that while 127,000 students receive benefits annually, over 400,000 could potentially qualify for benefits but currently do not receive benefits due to the application process.

Additionally, even if a student is fully approved and continually receives benefits, due to current federal regulations on the use of benefits, students are restricted to how they may use CalFresh benefits on campus. Stores or restaurants on campus must meet specific federal requirements in term of the food items they provide to students. Hot meals are only covered by CalFresh in very specific circumstances and require the vendor and the county to enter into an agreement for the restaurant to provide the hot food items. Education Code Section 66025.93 requires public and private postsecondary educational institutions to apply to become approved food vendors of Restaurant Meals programs and to annually provide information to all on-campus food vendors for them to become qualified food vendors as well. Even with these advancements, students still find it difficult to find qualifying foods on campus that satisfy the CalFresh qualifications as an approved food item.

Since the CFAP program has the same requirements as CalFresh, if AB 2652 (McCarty) is to establish a new method by which food assistance is provided to undocumented students, perhaps an overhaul of how students may qualify and how students may use the benefits is worth examining.

Committee comments. CalFresh may be the nation's most successful anti-hunger program, but it remains an imperfect system that was not designed with students in mind. CalFresh was designed to be restrictive because the federal government desires to ensure tax dollars provided for nutritional benefits are in fact spent on nutritional items. One of the unintended consequences of this restriction; is the lack of ability for students to access quick, healthy options available to them on campus or to use CalFresh to pay for meal plans that provide them access to on-campus cafeterias. Every college student is unique, some live on campus, off-campus, or with their parents. If the premise of AB 2652 (McCarty) is to establish a new program to provide nutritional benefits, why not build on the conversation of the workgroup which is to create a program entirely separate from Calfresh and CAFAP, in order to maximize participation and funding to students? With this model in mind, the State may not be able to guarantee funding is used for nutritional benefits, but it can provide funding and conduct research to see how undocumented students are benefiting from additional state funding.

Therefore, incorporating aforementioned suggestions and concerns the Committee has suggested and the author has accepted the following amendments:

Guts and amends the bill to read as follows:

(a) Subject to moneys appropriated by the Legislature for purposes of this section, the commission shall establish the Food Support Pilot program to provide food support grants to qualifying students who submit a California Dream Act application. Each student who meets the Food Support Pilot program qualifications shall be guaranteed an award. The amount of an individual award is \$2,808 per year.

(b) The commission shall allocate the award on a semester or quarterly basis to the qualifying institution if all of the following are met:

(1) The student has submitted a complete California Dream Act application, submitted or postmarked no later than March 2 in a given year.

(2) The student demonstrates financial need by having an expected family contribution of equal to or less than the qualifying expected family contribution for the Federal Pell Grant Program (20 U.S.C. Sec 1070a).

(3) The student is pursuing an undergraduate academic program of at least two academic years that is offered by a qualifying institution.

(4) The student is enrolled at least part time.

(5) The student maintains good academic standing with the qualifying institutions at which they are enrolled.

(c) The commission shall notify qualifying students pursuant to subdivision (b) of their receipt of the food support grant

(d) The food support grant may be renewed for a total of the equivalent of two years or four years of full-time attendance in an associate degree or undergraduate program, provided the student still meets the food support pilot program eligibility requirements.

(e) The commission shall disperse funds to qualifying institutions and each institution shall disburse the funds in accordance with the provisions set forth in the institutional agreement between the commission and the institution for Cal Grants pursuant to Section 69432.8.

(f) (1) It is the intent of the Legislature that the grants provided to students pursuant to this chapter shall be used to reduce the financial burden of the total cost of tuition by providing students with access to funds for food.

(2) A qualifying institution upon receipt of funds from the commission for purposes pursuant to this chapter shall provide the funds to the student and shall not reduce the institutional aid offer of a student who receives a grant pursuant to this chapter unless the student's gift aid exceeds the student's annual cost of attendance.

(3) The institution may reduce the institutional financial aid offer of a student who is eligible to receive a grant pursuant to this chapter by no more than the amount of the student's gift aid that is in excess of the student's annual cost of attendance.

(g) Beginning on or before December 1, one year after moneys is appropriated by the Legislature for purposes of this section, and annually thereafter, the commission shall report

to the Legislature the following the number of students who qualified for the funding disaggregated by qualifying institutions, age, gender, and race/ethnicity.

(h) The commission shall conduct a student survey every two years to determine the effectiveness Food Support Pilot program. The survey shall address, at a minimum, all of the following:

(1) How students elected to use their grants pursuant to this chapter.

(2) If qualifying institutions reduced institutional aid pursuant to subdivision (e) and if so, by how much.

(3) The barriers to administering the program for either the commission or qualifying institutions.

(4) Any recommendations for the improvement of the program so long as it furthers the intent of the program.

(i) The commission shall report the results of the survey described in subdivision (g) to the Senate Committees on Education, the Assembly Committees on Higher Education, the Assembly Committee on Budget, and the Senate Committee on Budget and Fiscal Review, on or before January 1, 2026 and on or before January 1, 2028. A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(j) As used in this article the following definitions apply:

(1) "Cost of attendance" means the student's tuition and fees, books and supplies, living expenses, transportation expenses, and any other student expenses used to calculate a student's financial need for purposes of student aid programs under Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.).

(2) "Expected family contribution" means a student's expected family contribution calculated according to the federal methodology pursuant to subdivision (a) of Section 69506 as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.).

(3) "Institutional financial aid" means financial aid that is paid for by the institution of higher education from its funds and the recipient of the aid is selected by the institution.

(4) "Qualifying institutions" means any public postsecondary educational institution in the state that receives, or benefits from, state-funded financial assistance or enrolls students who receive state-funded student financial assistance.

(5) "Part time," for purposes of eligibility, means 6 to 11 semester units, inclusive, or the equivalent.

(k) Pursuant to Section 10231.5 of the Government Code, this section is repealed on May 1, 2028.

The proposed amendments establish a new program separate from CalFresh and CFAP to provide grants to CADAA applicants who are income eligible for Pell Grants. The new program would require students to submit a CADAA application in order to qualify for benefits, thereby, circumventing the multi-step process currently in existing for CalFresh benefits. The program would provide grant benefits to the qualifying institutions who would disperse the grant to students in the same manner they disperse financial aid. To prevent scholarship displacement, the program would require qualifying institutions to only reduce institutional aid if the student surpassed their financial aid for total cost of attendance and to only reduce the amount of the institutional aid by the amount the student was over. The grants may be utilized by the students in any manner; however, every two years CSAC will conduct a survey to determine how participants in the program are utilizing the funding. Based on calculations from CSAC, there are 17,375 students at the CCC, 10,340 students at the CSU, and 4,237 students at the UC, who would benefit from the program, for a total cost annual of \$89,721,216.

Previous legislation. SB 464 (Hurtado) of 2021, would have expanded the eligibility for the CFAP to households that are ineligible for CalFresh benefits due to their immigration status. This bill currently resides in the Assembly Appropriations Committee.

AB 1894 (Weber), Chapter 746, Statutes of 2018, authorized the Department of Social Services to enter into a memorandum of understanding with the Chancellor of the California State University (CSU) in order to allow a qualifying food facility located on a CSU campus to participate in the Restaurant Meals Program (RMP), even if the CSU campus is located in a county that does not participate in the RMP.

REGISTERED SUPPORT / OPPOSITION:

Support

California Student Aid Commission
Immigrants Rising
University of California Student Association

Opposition

None on file.

Analysis Prepared by: Ellen Cesaretti-Monroy / HIGHER ED. / (916) 319-3960