

Date of Hearing: April 2, 2019

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 943 (Chiu) – As Introduced February 20, 2019

**SUBJECT:** Community colleges: student equity plans.

**SUMMARY:** Authorizes the use of funding from the California Community Colleges (CCC) Student Equity Program, up to \$25,000 per campus of apportionment funding, or both, to be used for emergency student financial assistance to help an eligible student overcome unforeseen financial challenges that would directly impact the student's ability to persist in the student's course of study. Specifically, **this bill**:

- 1) Specifies that the challenges (as referenced in the summary above) include, but are not necessarily limited to, the immediate need for shelter or food.
- 2) Encourages each community college district (CCD) and campus to consider the unique characteristics of its student body in developing specific guidelines for further defining what constitutes an unforeseen financial challenge for its students.
- 3) Requires, in order to be an allowable use of Student Equity Program funds, emergency student financial assistance to be included in the institution's plan for interventions to students.
- 4) Defines the following terms:
  - a) "Eligible student" means a student who has experienced an unforeseen financial challenge, who currently meets the definition of satisfactory academic progress, as determined by the college the student attends, and who is at risk of not persisting in the student's course of study due to the unforeseen financial challenge; and,
  - b) "Emergency student financial assistance" means financial support to assist a student to overcome unforeseen financial challenges so that the student can continue the student's course of study.

**EXISTING LAW:**

- 1) Creates the Student Success and Support Program (SSSP) in order to provide a variety of activities and services intended to ensure the success of CCC students, including, but not limited to: a) student assessment before course registration; b) counseling and other education planning services; c) advising; and, d) development of an education plan leading to a course of study. Specifies funding for SSSP shall be targeted to fully implement orientation, assessment, counseling and advising, and other education planning services needed to assist a student in making an informed decision about his or her educational goal and course of study and in the development of an education plan (Education Code (EC) 78212).
- 2) Requires that all CCDs, with the assistance of the CCC Chancellor, establish and maintain institutional research to evaluate the effectiveness of the SSSP, as specified, and of any other

programs or services designed to facilitate students' completion of their educational goals and course of study. Specifies the metrics for said research shall include, but be not limited to the following: a) prior educational experience, including transcripts when appropriate, as determined by the chancellor; b) educational goals and courses of study; c) criteria for exemption from orientation, assessment, or required counseling or advisement, if applicable; d) need for financial assistance; e) disaggregated data by ethnicity, gender, disability, age, and socioeconomic status, to the extent this information is available; f) academic performance, such as the completion of specified unit thresholds, success in basic skills courses, grade point average, course completion outcomes, transfer readiness, and degree and certificate completion; and, g) any additional information that the chancellor finds appropriate (EC Section 78214).

- 3) As a condition for receiving SSSP funding, and in order to ensure equal educational opportunities and to promote student success for all students, regardless of race, gender, age, disability, or economic circumstances, the governing board of each CCD shall maintain a student equity plan that includes, but is not limited to, the following for each community college in the CCD: a) campus-based research as to the extent of student equity by gender and specified underrepresented groups (including, but limited to, current or former foster youth, veterans, and students with disabilities); b) goals for access to, and completion of, basic skills, career technical education and workforce training, and transfer courses for the overall student population and for each population group of high-need or disadvantaged students, and a determination of what activities are most likely to effectively meet those goals; c) where significant underrepresentation is found to exist, measures for addressing the disparities in those areas, implementation activities designed to attain the specified goals, including, but not limited to, the adoption of evidence-based models of remediation; and, d) a schedule and process for evaluation. The plan shall be adopted by the governing board of the CCD and submitted to the CCC Chancellor, as specified (EC 78220).
- 4) Requires the CCC Chancellor to allocate funds provided for purposes of successfully implementing the activities and goals specified in the student equity plans, consistent with all of the following: a) ensure CCDs submit a student equity plan that is consistent, as specified in EC Section 78220; b) ensure that CCDs serving greater populations of students who are high-need or disadvantaged receive greater resources to provide services to students, consistent with the goals and activities specified in their student equity plans; c) establish criteria for calculating the number of high-need and disadvantaged students in a CCD; d) establish a list of eligible and ineligible expenditures and activities to ensure that funding is used to support the implementation of student equity plan goals and the coordination of services for the targeted student populations; and, e) report to the Department of Finance, the Legislative Analyst, and the appropriate policy and fiscal committees of the Legislature, on the expenditure of student equity funds (EC Section 78221).

To note, the 2018-19 Budget Act, consolidated the Student Equity Plans, Student Success and Support Programs, and the Basic Skills Initiative, into the Student Equity and Achievement Program (SEAP) (see EC Section 78222).

**FISCAL EFFECT:** Unknown. This measure is keyed non-fiscal by the Legislative Counsel.

**COMMENTS:** *Background.* According to a 2017 survey by the Center for Community College Student Engagement, one in five community college students are unable to afford even one more

dollar in unexpected costs, and close to half, or 47 percent, reported that lack of finances could cause them to withdraw from school. Additionally, various studies have found that large numbers of CCC students are food and housing insecure, and about one in five have experienced homelessness in college. These statistics pose a serious challenge to the Legislature's goals of increasing graduation and transfer rates from CCCs and recent reforms to reduce developmental/remedial education.

*Need for the measure.* According to the author, "This bill seeks to address the financial challenges that many CCC students face in attending school". The author states, "According to a 2017 report by The Institute for College Access and Success, 'What College Costs for Low-Income Californians,' in many regions of the state, community colleges have a higher net price of attendance than the nearest University of California or California State University campus. This reflects the limited amount of grant and loan aid available for community college students' non-tuition costs of attendance, which include essentials like housing, food, textbooks, and transportation".

The author contends that, "When less financial aid is available to low-income students, those students are forced to work more hours to cover essential costs, which can lead them to reduce their course load or drop out altogether. The number one reason students leave school is the need to work and attend college at the same time".

This measure authorizes the use of funding from the SEAP, up to \$25,000 of apportionment funding per campus, or both, for the provision of providing emergency student financial assistance.

*Student Equity and Achievement Program.* Since 2014-15, the Legislature has provided dedicated funding for student equity planning (which, as of 2018-19, was consolidated into the SEAP), to improve access and outcomes for high-need and disadvantaged student groups. Colleges may use SEAP funds to provide a broad array of services as long as these expenditures target student groups with achievement gaps identified in a college student equity plan submitted to the CCC Chancellor's Office. Each college develops specific goals/outcomes and actions to address disparities that are discovered, disaggregating data for indicators by student demographics. College plans must describe the implementation of each indicator, as well as policies, activities, and procedures as they related to student equity at college.

SEAP funds must be used to address the student equity populations and indicators as defined in statute (EC Sections 78220 and 78221) and be based on the disproportionate impact study, goals, and activities as outlined in the CCDs student equity plans that are submitted to the CCC Chancellor's Office (CCCCO). Additionally, the colleges have two fiscal years to expend these funds. The expenditure cycle for the 2016-17 funds ended on June 30, 2018; the CCDs had to provide mid-cycle and end of cycle expenditure reports to the CCCCCO in September 2017 and September 2018, respectively. Committee Staff understands that, due to circumstances beyond the control of CCCCCO, the September 2018 report has yet to be released.

To note, as of 2018-19, the SEAP funding level is \$475 million; the Governor's 2019-20 Budget Proposal does not include an increase to SEAP.

*Emergency Aid.* Across the nation, emergency aid has quickly emerged as a best practice for colleges and universities to provide financial assistance to students, thus ensuring their continued

academic success. Emergency aid comes in the many forms, including, but not limited to, supplemental grants, financial aid advances, or even small personal loans.

Committee Staff understands that for almost a decade, Pasadena City College, Grossmont Community College, and Cuyamaca Community College, have provided emergency aid programs to their students. To note, all three colleges fund their emergency aid programs using private funds. Additionally, according to data from the CCCCCO, about half of the CCCs (or 57 campuses) currently provide some type of emergency assistance, most commonly transportation assistance (e. g. bus passes) or gift cards for items such as textbooks.

To note, the author argues that, “Without clear legislative direction or authority regarding emergency grants in particular, and without available funding, colleges may be hesitant to explore and implement this method of supporting students in financial crisis”.

*Committee comments and amendments.* This measure currently authorizes funding included in the Budget Act for student equity plans; however, as noted in the “Existing Law” section of this analysis, in 2018-19, Student Equity Plans (and other student support related programs), were consolidated into the SEAP. As a way to provide clarity, and to reflect the recent change, *Committee Staff recommends, and the author has agreed to accept, the following amendments:*

(e) (1) Funding included in the Budget Act for ~~student equity plans~~ **Student Equity and Achievement Program**,

(2) In order for emergency student financial assistance to be an allowable use of ~~Student Equity Program~~ **Student Equity and Achievement Program** funds,

Additionally, emergency aid falls into a broader category of basic needs support for students.

*Committee Staff recommends, and the author has agreed to accept, the following amendment to expand the measure to focus more broadly on basic needs of students:*

(B) “Emergency student financial assistance” means financial support to assist a student to overcome unforeseen financial challenges, **including, but not limited to, direct aid in the form of emergency grants, housing and food assistance, textbook grants, and transportation assistance**, so that the student can continue the student’s course of study.

Further, the measure currently authorizes up to \$25,000 per campus of apportionment funding for the provision of emergency student financial assistance. According to the CCCCCO, presently, no CCC campus is using more than \$25,000 for the purpose of providing emergency assistance to students; however, there could come a time whereby some CCC campuses need to provide their students with more than the current bill authorizes.

*Moving forward, the author may wish to work with the CCCCCO in order to ascertain whether or not \$25,000 from SEAP, is enough funding for purposes of providing emergency aid to eligible students.*

Lastly, the measure does not have a local reporting mechanism place, whereby a campus can have one centralized location for tracking the amount of emergency student financial assistance, and the type of assistance, that has been provided to eligible students. According to the CCCCCO, it is not uncommon for different student support entities (such as Extended Opportunity

Programs and Services (EOPS), who offer full wraparound student support services to specific student groups), to provide a report to the individual campus' financial aid offices on the number of gas cards the EOPS center provides to their students over a specified time period.

*Moving forward, the author may wish to amend the bill in order to create a local reporting plan so that there is a centralized location to keep track of the students who receive emergency aid.*

*Prior legislation.* AB 1468 (Chiu) of 2017, which was held on the Senate Appropriations Committee Suspense File, was similar in nature to this measure.

SB 307 (Nguyen) of 2017, which was held on the Assembly Appropriations Committee Suspense File, in part, requested the University of California (UC) Regents to convene a task force, consisting of three UC representatives selected by the Regents, three representatives of the California State University (CSU) selected by the CSU Trustees, and three representatives of the CCC selected by the CCC Board of Governors, to conduct a study to determine the extent, causes, and effects of housing insecurity and homelessness of current postsecondary students in this state, and requires the study to be submitted to the Legislature on or before December 31, 2018.

AB 2822 (Chiu) of 2016, which was placed on the Senate Floor Inactive File by request of the author, in part, required the CCCCCO to provide guidelines for CCD or campuses that seek to establish student emergency aid programs among the services they provide.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Federation of Teachers (Co-Sponsor)  
Faculty Association of California Community Colleges (Co-Sponsor)  
Scholarship America  
Student Senate for California Community Colleges  
493 Individuals

### **Opposition**

None on file.

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