

Date of Hearing: June 19, 2018

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

SB 967 (Berryhill) – As Amended April 18, 2018

SENATE VOTE: 39-0

SUBJECT: Public postsecondary education: waiver of mandatory systemwide tuition and fees: current or former foster youth.

SUMMARY: Prohibits the University of California (UC), the California State University (CSU) and the California Community Colleges (CCC) from charging mandatory systemwide tuition or fees to an undergraduate student who is a current or former foster youth. Specifically, **this bill:**

- 1) Requires, current or former foster youth attending a campus of the UC, CSU, or CCC in order to be eligible for a systemwide tuition or fees waiver to:
 - a) Be 25 years of age or younger;
 - b) Have been in foster care for at least 12 months in total after reaching 10 years of age;
 - c) Complete and submit the Free Application for Federal Student Aid (FAFSA);
 - d) Maintain a minimum grade point average and meet other conditions necessary for the student to be in good standing at the public postsecondary educational institution of attendance, as determined by the appropriate public postsecondary segment; and,
 - e) Meet the financial need requirements established for Cal Grant A awards.
- 2) Stipulates that eligible students shall not have their mandatory systemwide tuition or fees waived as authorized by this measure, in excess of the equivalent of attendance in a four-year undergraduate program.
- 3) Allows the amount of eligible students' tuition or fee waivers to be reduced by any state or federal financial aid, including scholarships or grants, received by the student, as specified.

EXISTING LAW:

- 1) Prohibits the UC, CSU, and CCC from charging mandatory systemwide tuition or fees to the dependents or survivors of disabled or deceased California veterans, as specified and certain recipients (or children of recipients) of a Congressional Medal of Honor, as specified (Education Code (EC) Section 66025.3).
- 2) Provides that statutes related to UC (and most other aspects of the governance and operation of UC) are applicable only to the extent that the UC Regents make such provisions applicable (EC Sections 67400 and 68134).

- 3) Prohibits UC, CSU, and CCC from charging mandatory systemwide tuition or fees to the surviving spouse or child of a deceased law enforcement or fire suppression personnel, as specified, and the surviving dependent of any California resident killed in the September 11, 2001 attack, as specified. The fee waivers are limited to undergraduate students who meet the specified financial need requirements (EC Sections 68120 and EC 68121).
- 4) Exempts certain CCC students from the fee requirement, including students who meet specified income thresholds (i.e. California College Promise Grant formerly known as the Board of Governors (BOG) Fee Waiver) and students who are the dependent or surviving spouse of a California National Guard member killed or disabled as a result of their service, as specified (EC Section 76300).
- 5) Authorizes the UC and CSU, and requires the CCC to collect fees from students attending their postsecondary education institutions (EC Section 89700).
- 6) Grants the UC Regents regulatory authority over the UC (EC Section 92440, et seq.).
- 7) Establishes the federal John H. Chafee Foster Care Independence Program to provide, among other benefits, education and training vouchers to qualifying current and former foster youth (United States Code, Title 42, Section 677).

FISCAL EFFECT: According to the Senate Appropriations Committee:

- 1) Many foster youth already receive financial assistance from state, federal, and institutional aid programs to cover the cost of tuition. Therefore, this bill is likely to only impact foster youth students that are not currently eligible for any state, federal, or institutional financial assistance program and must pay tuition or fees to attend school. The exact number of these students is unknown, but assuming it is just one-half percent of the foster youth student population attending the community colleges and CSU, the amount of forgone tuition revenues could be approximately \$120,000 (General Fund).
- 2) The CCC Chancellor's Office indicates minor and absorbable costs to local community college districts to comply with this measure as most foster youth already qualify for the Board of Governors Fee Waiver program to cover the cost of tuition. For the Fall 2017 semester, there were approximately 14,200 foster youth in the community college system.
- 3) The UC indicates that the costs of providing the tuition waivers would be minimal since it already provides a needs-based grant to cover the full cost of tuition for all students that meet the financial qualifications of a Cal Grant.

COMMENTS: *Background.* According to the American Council on Education (ACE), between 20,000 and 25,000 young adults age out of foster care each year. ACE finds that there continues to be a wide gap in postsecondary educational attainment between youth in foster care and other young adults. Compared to their non-foster care peers, youth in foster care are less likely to enroll in college if they complete high school, and less likely to graduate from college if they enroll.

Additionally, ACE suggests that several factors, including both academic and non-academic challenges, may contribute to this gap in postsecondary educational attainment.

Need for this measure. According to the author, "Foster youth often can't turn to parents for information about college, help with college applications, or assistance with their tuition". The author contends, "adoption is already an expensive endeavor without even considering the cost of college tuition and fees. This can be a considerable deterrent for parents considering adoption. Parents, who adopt teenage foster children, often do not have the savings in place to pay for higher education".

What financial awards are available now to foster youth?

- 1) *Chafee Grant.* In California, the Chafee Grant provides up to \$5,000 in grants to foster youth. The budget for the program is about \$14.3 million, which is evenly split between federal funds and the state General Fund. State funding for the program is accounted for in the Department of Social Services budget, the funding is distributed to CSAC through a Memorandum of Understanding (MOU) that outlines program operations; CSAC then directs money to students pursuant to the requirements of the MOU.

Current or former foster youth qualify for the Chafee Grant if they are under age 22 and were wards of the court and living in foster care for at least one day between the ages of 16 and 18. The maximum grant is \$5,000 per academic year; the average awarded grant in 2016-17 was \$4,149. Additionally, 3,499 students were served by the grant in 2016-17.

- 2) *Cal Grant Programs.* The state Cal Grant program provides full-tuition coverage for financially needy undergraduate students enrolled at CSU and UC. This award is guaranteed to an otherwise eligible applicant who applies within one year of graduating high school or is transferring from a CCC to a four-year university. Similar to the Cal Grant, the federal Pell Grant provides need-based grants to low-income undergraduate students enrolled in participating institutions. The UC and CSU offer tuition assistance through their respective institutional aid programs.
- 3) *California College Promise Grant formerly known as the BOG Fee Waiver.* The Promise Grant fully waives enrollment fees for financially needy students and there is no limit to how long a CCC student can receive a waiver.

This measure will waive CCC, CSU, UC systemwide tuition and fees for foster youth who meet specified criteria.

As noted above, an equivalent benefit is already provided, an independent tuition waiver policy may not be necessary if the goal is to eliminate foster youth from having to remit tuition and fees.

Who is eligible? To qualify for the waiver, this measure requires a student to complete and submit the FAFSA as well as be an undergraduate in good academic standing who meets income requirements established for Cal Grant A. The FAFSA is used to apply for most state, federal and institutional aid programs. Additionally, this bill requires that a student be in foster care for at least 12 months in total after reaching 10 years of age and be under age 25.

Committee comments. As noted under the "existing law" section of this analysis, the CCC, CSU, and UC are prohibited from applying certain fees to various groups impacted by tragic events.

When our public postsecondary institutions waive said fees, each campus is essentially, "paying the fee" on behalf of the eligible student.

Moving forward, the author may wish to work with the Legislative Budget Committees in order to ensure the segments receive the additional funds necessary to be able to waive the fees of eligible students.

Additionally, as drafted, for students to benefit from this measure, they must have been in foster care at least 12 months in total after reaching the age of 10, and be under 25 years of age. As noted, in the "related legislation" section of this analysis, AB 3089 (Thurmond), seeks to provide foster youth additional time to access Chafee grants; AB 3089 specifies eligible students could benefit so long as they are under the age of 26 by December 31 of the award year.

Moving forward, the author may wish to amend this measure to align with the same age requirements in AB 3089.

Related legislation. SB 940 (Beall), expands eligibility for Cal Grant B Entitlement award for a student who is a current or former foster youth by extending the window of time for submission of an initial financial aid application up to age 26 and by increasing the total award level for this student group from 4 to 8-years of full-time attendance in an undergraduate program.

To note, the policies contained in SB 940 were incorporated into the 2018-19 Budget (via the Higher Education Trailer Bill).

AB 3089 (Thurmond), which is scheduled to be heard by the Senate Education Committee on June 20, 2018, authorizes the California Student Aid Commission (CSAC), commencing with the 2019-20 award year, to provide new Chafee grant awards to students as long as they are under the age of 26 by December 31 of the award year; and, requires CSAC to annually report to the Legislature specified information regarding Chafee grant awards.

To note, the federal John H. Chafee Foster Care Independence Program was created in 1999 to offer assistance to current and former foster care youth in achieving self-sufficiency.

REGISTERED SUPPORT / OPPOSITION:

Support

American Academy of Pediatrics, California
Children's Advocacy Institute
Children's Law Center of California
Clovis Adult Education
Youth Law Center

Opposition

None on file.

Analysis Prepared by: Jeanice Warden / HIGHER ED. / (916) 319-3960