

AHED DISPATCH

Pell Grant
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Federal Work-Study
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Financial Need
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Federal Updates

May 17, 2023 -

The U.S. Department of Education released new proposed rules on accountability for certificate and for-profit programs and transparency into unaffordable student debt. The proposed regulations represent the strongest set of safeguards ever to protect students from unaffordable debt or insufficient earnings from career training programs. The proposed regulations can be found [here](#).

April 6, 2023 -

The U.S. Department of Education's proposes changes to its Title IX Regulations on Students' Eligibility for Athletic Teams. The proposed rule would establish colleges and Universities who outright ban transgender athletes from participating on sports teams consistent with their chosen gender identity because of who they are. The rule provides the strongest federal protections to date for transgender athletes. The proposed regulations can be found [here](#).

May 17, 2023 -

[Student Loan Payment Pause will end this year, Education Secretary confirms—CNN](#)

The Assembly Higher Education Committee will continue to monitor the above and provide updates as decisions are rendered.

WHAT IS CAL GRANT REFORM?

Cal Grant Reform, or sometimes referred as Cal Grant Modernization, took over four years to achieve.

However, while Cal Grant Reform has been codified, it has yet to take effect. Existing law establishes, commencing in the 2024-2025 fiscal year, if General Fund moneys over the multiyear forecasts are available to support ongoing augmentations and actions, and if funding is provided in the annual Budget Act, The Cal Grant Reform Act. Under the Act, the Cal Grant 2 and Cal Grant 4 programs are created.

The Cal Grant 2 is for community college students, and provides non-tuition support that grows annually with inflation. The Cal Grant 4 program is for students at the UCs, CSUs, and independent colleges and universities in the State. The Act also states legislative intent that UC and CSU use institutional aid to cover non-tuition costs for their students (see Education Code Sections 69424, 69425, and 69428).

Due to the current state of the economy being unpredictable, it is presently unclear if Cal Grant reform will be funded and enacted next fiscal year. The foundation, however, is in place to finally remove the current barriers and challenges to the existing Cal Grant system. Barriers that include, but are not limited to:

1. *Cal Grant program excludes hundreds of thousands of needy students. As more Californians seek a higher education, more*

and more eligible students are being left out of receiving much-needed financial aid;

2. *Non-tuition costs are not adequately addressed.* The maximum Cal Grant B Access Award - which helps students pay for these non-tuition costs - is just one-quarter the amount of what the award would have been if it had kept up with inflation since its creation in 1969;
3. *State aid programs are too complex.* Complicated eligibility and application requirements limit students' access to aid. For example: a student from a family of four with a family income of \$53,000 and a GPA of 2.9 would receive no Cal Grant aid at all; the same student with a family income of \$52,000 and a GPA of 2.4 would receive a Cal Grant B award worth thousands of dollars annually; and,
4. *Despite state and segment focus on quicker time-to-degree, state aid does not adequately cover summer school costs.* Cal Grant is limited to four academic years, requiring students who wish to take summer school to forego Cal Grant support, or receive less funding in the spring and fall in order to use some of the aid in the summer.

While not enacted, yet, California is on its way to meeting the goal of the Cal Grant Reform; enabling all students to be on a path towards earning a debt-free college degree.

Future editions of the AHED Dispatch will keep you informed of the progress of the reform.

STATE NEWS

Articles -

[University of California System Bans Fully Online Degrees — Inside Higher Ed.](#)

[California State University and Cal State San Bernardino President face equal pay lawsuit -EdSource.](#)

[Changes to college student eligibility for CalFresh - EdSource.](#)

[California's next community colleges chief pushed key reforms and now faces new challenges - EdSource](#)

[Legislators step in as trust erodes between community colleges. California State University - CalMatters.](#)

[Campus food pantries expand to support students' basic needs - EdSource.](#)

[Community colleges had a deadline to serves struggling students. Did they hit it? - CalMatters.](#)

[Calbright's star is rising: California's online community college is adding, keeping more students—CalMatters.](#)

GOVERNOR'S MAY REVISION

On May 12, 2023, the Governor released his May Revision of the 2023-2024 budget. Unlike past fiscal years, the May Revision was a revision of revenues based on tax dollars submitted by the citizens of California, the current May Revision is a projection of potential revenue loss. Due to winter storms, the Governor extended the 2023 tax filing deadline until October and while the May Revision is a projection, the fiscal revenue projections have dropped since January. As the State braces for potential economic fallout due to revenue decreases, the May Revision represents a fiscally prudent approach to conserving progressive policy ideals while preparing for future fiscally lean years.

The May Revision maintains the 5% increase for base operations at the California State University (CSU) and the University of California (UC), per the compacts between the systems of the Governor from the previous Budget Year. For the CSU and the UC, the May Revision safeguards funding for construction projects, including student housing, by transferring the money from the upfront deposits from the General Fund to bond debt payments. The majority of changes in the May Revision is found within the section for California Community College (CCC). The CCC will receive a cost of living adjustment for base operations of 8.22% percent or \$678.1 million increase for apportionments (base operations of the districts) and for categorical programs, including adult education. The CCC includes one-time funding of \$503 million to support the student-centered funding formula, \$30 million over three years for a Los Angeles District LGBTQ+ pilot project, and \$2.5 million in one-time funding for the East Los Angeles College Entrepreneurship and Innovation Center. Unlike the other public higher education systems, the CCC saw a decrease to multiple programs including a decrease in enrollment funding, the Student Success and Completion Grant Program, the COVID Recovery Block Grant, and a decrease in deferred maintenance funding.

The May Revision included a nod to Cal Grant reform maintaining the January verbiage that the Governor will continue to monitor fiscal revenues and will work closely with the Legislature as the date for Cal Grant Reform implementation moves closer.

STUDENT ATHLETICS

Sports and athletic competition is a vibrant thread in the tapestry of American life. In nearly every town and city across the country one can find basketball courts, parks, golf courses, swimming pools, dance studios, and baseball diamonds. Athletics is integrated into our earliest curriculum, with children exposed to sports in physical education classes, and scholastic athletics continues a more organized fashion inside and outside of our schools until adulthood.

It's not enough that we're exposed to sports and participate in it; amateur and professional athletics are also a major source of viewing entertainment for the general public and revenue generation for broadcasters, teams, and leagues. In a time where viewers increasingly "cut the cord" to opt out of cable television for digital streaming and elect to watch recorded programming instead of live broadcasts, athletic programs reliably draw live viewership – creating a "DVR proof" environment that can see networks charge huge sums for advertising rights. The Super Bowl is perhaps most famous for their high advertising rights fees. In 2023, the cost of a 30-second Super Bowl ad was \$7 million. The ability for sports to capture live viewers thus translates to huge media rights agreements between broadcasters and professional leagues like the NBA, NFL, MLB, and NHL, amongst others.

Given the media trends for professional sports, we shouldn't be surprised to find that collegiate athletics also benefits from the live sports preference in broadcasting. For example, the Big Ten – which will gain UCLA and USC as members in 2024 – completed a new seven-year media rights agreement with Fox, CBS, and NBC in August of 2022, that will bring in more than \$7 billion. The deal will begin July 1, 2023, and run through the end of the 2029-30 athletic year.

To better understand how this revenue flows, we first need to understand the collegiate athletics organizational structure. While there are many different athletic associations, the largest and most influential is the National Collegiate Athletic Association (NCAA). The NCAA is a voluntary, membership association of nearly 1,100 colleges and universities, athletics conferences – like the Big Ten, mentioned earlier – and sports organizations that administer intercollegiate athletics. Although the NCAA promotes intercollegiate athletics and student-athletes, its core function is to create rules and ensure a level playing field in intercollegiate athletic competition. Representatives from member schools and conferences propose, debate, and vote on bylaws that govern the association. The NCAA enforces these rules, which govern, among other things, student-athlete financial aid, employment, and transfer eligibility. To achieve its goals, the NCAA issues and enforces rules that govern aspects such as recruiting, eligibility, academic standards, and the requirements for schools to be classified into Divisions I, II, and III.

While the revenue generated by high rights fees can be a major boon for athletic conferences and institutions, there are important guardrails that dictate how and where the funds can be spent. Specifically,

As seen on Twitter

- ⇒ [UC supports the Enhance Access to SNAP \(EATS\) Act.](#)
- ⇒ [Californians Together highlight the CSU will offer new credential programs for early childhood educators.](#)
- ⇒ [The Wall Street Journal published an article on housing at UC Santa Cruz.](#)
- ⇒ [SHEEO announced a new white paper on "Improving Equity and Opportunity Through Postsecondary Data".](#)

In Case You Missed it...

- California State Auditor - [Increase Full-Time Faculty and Diversity at California Community College Remains a Challenge.](#)
- California Community Colleges - [2023 Basic Needs Centers Report for Fiscal Year 2021-2022.](#)
- California Community Colleges - [2023 Homeless and Housing Insecurity Pilot Program Report.](#)
- California State University - [2021-2022 Basic Needs and Mental Health Report.](#)
- University of California - [Basic Needs, Mental Health, and Rapid](#)



federal law under Title IX prohibits sex discrimination in all educational institutions that receive federal funding - this applies to all aspects of education and types of sex discrimination including athletics. Institutions are required to demonstrate they are in compliance with Title IX by showing any one of three criteria. These are: substantial proportionality - numerical proof that a school's ratio of female athletic participation is close to the ratio of female enrollment at the institution; a history and continuing practice of expanding sports participation opportunities for girls, or full and effective accommodation of the athletics interests of the girls enrolled at the school.

The requirement to comply with Title IX ensures that athletic program funding is distributed from a few major revenue-generating sports to many different programs (including many sports we enjoy watching in the summer and winter Olympic Games). Even with an environment that can generate substantial revenue, proportional funding can still be difficult to achieve. As noted by Wyatt Hense and Jayma Meyer in the Marquette Sports Law Review, "A comprehensive data analysis and report by USA Today found that eighty-seven percent of NCAA Division I Football Bowl Subdivision (FBS) schools were not offering athletic opportunities to women proportionate to their enrollments during the 2020-21 academic year. Indeed, in 2020, Division I women athletes accounted for only forty-seven percent of athletes, despite the fact that women's share of enrollment at Division I schools was fifty-four percent, a gap of seven percent. In Divisions II and III the numbers are worse, with gaps of fifteen and sixteen percent, respectively."

Recent changes in NCAA policy – brought on, in part, by California's SB 206 (Skinner), Chapter 383, Statutes of 2019 - allows all NCAA Division I, II, and III student-athletes to be compensated for their Name, Image, and Likeness (NIL) as of July 1, 2021, regardless of whether their state has a NIL law in place or not. This change has proven to be a major source of revenue to athletes. To date, there are more than 450,000 student-athletes across the United States who have earned NIL money by partnering with local businesses in promotions. While most athletes won't make significant money, there are certainly some (especially with popular social media followings) earning in the mid-to-high six figures annually.



NIL, like the evolving landscape of media rights fees, presents significant changes to collegiate athletics – though collegiate athletes have long advocated for additional rights and protections given the important role they play in both the public perception of institutions and the at-times-significant funding generated by their competitive play. California institutions will continue to compete under the brightest of lights on the national...but also, as importantly, in the regional and local competition that connect our communities to their institutions. California Community College campuses will continue to host tournament leagues, and colleges big and small will continue to hold summer and winter campus for scholastic competitors. Why? Because sports have been an integral aspect of human society for thousands of years, and often are the gateway to higher education that can inspire student athletes to strive for excellence both on the field and in the classroom.

Thank you for reading!

IF YOU HAVE ANY QUESTIONS OR COMMENTS, PLEASE DO NOT HESITATE TO CONTACT THE ASSEMBLY COMMITTEE ON HIGHER EDUCATION AT AHED.COMMITTEE@ASSEMBLY.CA.GOV OR 916-319-3960