

September 6, 2023

# Update on State & Federal Legislation

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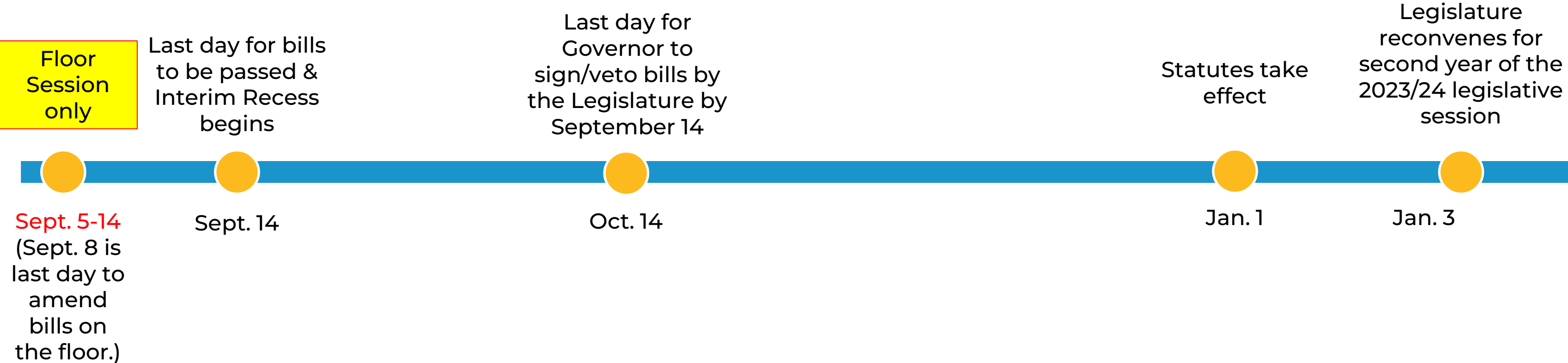
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Presented on September 6, 2023

# State Legislative Timeline





# Sponsored Legislation

## AB 1400 & AB 1540



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# AB 1400 (Bryan)

## Summary:

Refocuses the use of funds generated by the College Access Tax Credit from Cal Grant B recipients to California Community College transfer students from low-income backgrounds attending regionally accredited Historically Black Colleges and Universities (HBCUs) that have a transfer agreement with the California Community Colleges Chancellor's Office.

Students must indicate their intent to return to California after graduation as a condition of receiving the one-time grant of up to \$5,000.

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## Status:

**Senate Floor**

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## Alignment with Policy Priorities:

Maximize the effectiveness of state financial aid programs.

# AB 1540 (Fong, Mike)

## Summary:

Requires community colleges and CSU campuses, and requests the UC and independent institutions of higher education, to accept the AB 540 affidavit provided by the Commission via the California Dream Act Application –effectively embedding the AB 540 affidavit into the Dream Act Application.

The bill also makes clear that institutions keep the ability to verify affidavits, and offer a campus-based form to students who do not apply for aid through the California Dream Act Application.

Lastly, the bill requires institutions to share the affidavit with campus departments to inform eligibility of student services.

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## Status:

**Senate Floor**

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## Alignment with Policy Priorities:

Maximize the effectiveness of state financial aid programs.



# Supported Legislation



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# AB 278 (Reyes)

**Sponsor:** Coalition for Humane Immigrant Rights (CHIRLA)

## Summary:

Establishes the Dream Resource Center Grant Program as a four-year pilot under the administration of the CA Department of Education (CDE) to provide high school students, including undocumented students, with financial aid support, social services support, state-funded immigration legal services, academic opportunities, parent/family workshops, and more.

This bill requires CDE to award grants using a tiered point system that prioritizes local educational agencies in underserved areas, including rural areas, those that serve large number of English learners and pupils who are eligible for free or reduced-price meals.

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## Status:

**Senate Floor**

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## Alignment with Policy Priorities:

Enhance early awareness of financial aid through outreach programs that help students and families plan for the total cost of attendance.



# SB 633 (Gonzalez)

**Sponsor:** University of California (UC)

## Summary:

Starting with the 2024 –25 academic year, allows participating UC and CSU campuses to award DREAM Grants to eligible students if the institution's DREAM revolving loan program has unawarded funds at the end of the previous academic year.

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## Status:

**Assembly Floor**

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## Alignment with Policy Priorities:

Ensure undocumented students –who are unable to access federal financial aid –have access to financial aid opportunities equitable to those of their peers.



# AB 274 (Bryan)

**Sponsor:** uAspire / Western Center on Law & Poverty / Coalition of California Welfare Rights Organizations

## Summary:

Exempts any grant, award, scholarship, loan, or fellowship from consideration as income when determining CalWORKs eligibility or grant amounts, and requires the CA Department of Social Services (to the extent permitted by federal law, regulation, or guidance) to exercise a federal option to exclude, for purposes of calculating a household's income under CalFresh, income that the department excludes for CalWORKs.

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## Status:

**Senate Floor**

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## Alignment with Policy Priorities:

Advance efforts that help students access other forms of assistance to cover non-tuition expenses (e.g., CalFresh, housing assistance, affordable student lending options, etc.)



# AB 928 (Rendon)

**Sponsor:** N/A

## Summary:

Requires CDSS to update its CalFresh Data Dashboard on an annual basis (instead of over time) and as additional data become available about that population.

The Dashboard publishes data specific to students' receipt of CalFresh benefits to assist in monitoring information about access to CalFresh by students enrolled in an institution of higher education.

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## Status:

**On the Governor's Desk**

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## Alignment with Policy Priorities:

Advance efforts that help students access other forms of assistance to cover non-tuition expenses (e.g., CalFresh, housing assistance, affordable student lending options, etc.)

# AB 1393 (Calderon)

**Sponsor:** Southern California College Attainment Network (SoCalCAN)

## Summary:

Requires the Commission to establish the Food Support Pilot Program for four years to provide food support grants to eligible students who submit a complete California Dream Act application and receive financial assistance under the California Dream Act. The bill also requires the Commission to conduct a survey the pilot's effectiveness.

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## Status:

**Held in suspense at Senate Appropriations**

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## Alignment with Policy Priorities:

Advance efforts that help students access other forms of assistance to cover non-tuition expenses (e.g., CalFresh, housing assistance, affordable student lending options, etc.)



# Support bills held in suspense at Assembly Appropriations

## AB 680 (Rubio, Blanca)

**Sponsor:** CA Community Colleges  
Chancellor's Office

**Summary:**

Authorizes, as an alternative to the existing requirements to qualify for the AB 540 exemption from nonresident tuition, either completion of 60 semester units of credit or 90 quarter units of credit at a California community college, or attainment of an associate degree for transfer.

## AB 870 (Arambula)

**Sponsor:** CA Association of Food  
Banks

**Summary:**

This bill requires CDSS to convene a workgroup that meets quarterly, comprised of relevant stakeholders, to share best practices, updates, challenges, or other topics related to programs and services offered by CDSS that may be available to students attending a public institution of higher education.

Additionally, this bill requires CDSS to submit a report to the Legislature every 3 years (starting on 6/30/2024) with findings and recommendations from the workgroup on ways to increase student enrollment in CDSS programs and services.

## AB 1514 (Reyes)

**Sponsor:** N/A

**Summary:**

Requires CDSS to convene a workgroup to develop recommendations to allow FAFSA data to be shared with the county welfare departments to inform eligibility for public social services. This bill also requires CDSS and the workgroup to then pursue administrative and statutory changes to make it possible for FAFSA data, or any other student aid application administered by the Commission, to be prepopulated into public social services applications.

The bill also requires that the Statewide Automated Welfare System (CalSAWS) allow all county office eligibility workers, regardless of county, to view, transfer, and process all CalFresh applications to allow students to apply for benefits in their home county before moving, or, in the county of their school.

# Legislation with Direct Impact to the Commission



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# AB 376 (Villa p u d u a)

**Sponsor:** California Trucking Association

## **S u m m a r y :**

Until January 1, 2028, this bill authorizes Cal Grant C awards to be used for entry -level driver training programs of *less* than 4 months, and requires the Commission to classify an institution as a “qualifying institution” if its driver training program has a graduation rate of at least 30%, is listed on the Federal Motor Carrier Safety Administration training provider registry, and has been approved by the Bureau for Private Postsecondary Education (BPPE).

This bill also requires the Commission to consult with the BPPE to submit a report to the Legislature by April 1, 2027 that includes several data points related to the impact of the pilot program.

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## **Status:**

**Senate Floor**



# AB 746 (Sanchez)

Sponsor: N/A

## Summary:

Removes research centers and institutions operated by public postsecondary institutions as allowable employers in the Learning-Aligned Employment Program, and instead broadens it to allow public campuses with learning-aligned employment opportunities that provide participating students with experience related to the student's major, or career-related skills development.

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## Status:

**Senate Floor**

# AB 789 (Berman)

**Sponsor:** John Burton Advocates for Youth / NextGen California / uAspire / Cal State Student Association / SoCalCAN/ Student Senate for California Community Colleges / The Institute for College Access & Success / UC Student Association / UNITE -LA

## Summary:

Starting in the 2024 -25 academic year, this bill requires institutions to develop and implement satisfactory academic progress (SAP) policies that are more flexible and in alignment with federal policy. The bill also requires a set of communication standards to students regarding SAP policies and appeals processes.

Recent amendments clarify that institutions are not prohibited from requiring a student on “financial aid probation,” as defined federally, to comply with the terms of the student’s academic plan in order to maintain financial aid eligibility.

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## Status:

**Senate Floor**



# SB 886 (Committee on Education)

Sponsor: N/A

## Summary:

This bill is the annual higher education omnibus clean-up bill. Specifically, this bill includes the following relevant provisions:

- Removes several mandated reports required of the Commission due to program defunding (Federal Family Education Loan Program, Assumption Program of Loans for Education, Graduate Assumption Program of Loans for Education, and the State Nursing Assumption Program of Loans for Education).
- Clarifies that an organization that is not part of a Regional Coordinating Organization (RCO), but that has a written partnership agreement with the Commission or a RCO, may offer free local and regional workshops through the Cash for College Program.

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## Status:

**On the Governor's Desk**



# SB 223 (Menjivar)

**Sponsor:** Los Angeles Unified School District (LAUSD)

## **Summary:**

Allows the Commission on Teacher Credentialing to approve a professional preparation program offered by a local educational agency for candidates seeking a services credential with a specialization in pupil personnel services in the area of child welfare and attendance services, as long as it meets program quality and effectiveness standards.

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## **Status:**

**On the Governor's Desk**

# AB 91 (Alvarez)

**Sponsor:** N/A

## **Summary:**

Establishes a pilot program to allow low-income nonresident students residing in Mexico near the California-Mexico border region, to be eligible for in-state tuition rates at Cuyamaca College, Grossmont College, Imperial Valley College, MiraCosta College, Palomar College, San Diego City College, San Diego Mesa College, San Diego Miramar College, or Southwestern College.

The bill was recently amended to require that the CCC Board of Governors enters into an attendance agreement with a nationally or internationally accredited university in the State of Baja California, Mexico, that provides reciprocal rights to California residents attending a university in the State of Baja California that extends, to the extent reasonable, the same benefits provided to Mexican residents under this bill.

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## **Status:**

**Senate Floor**

# AB 238 (Muratsuchi)

Sponsor: N/A

Summary: Establishes the California Student Teacher Support Grant Program for the Commission on Teacher Credentialing to administer at the local educational agencies level. This program would compensate teacher candidates during their required 600-hour student teaching.

Status: This bill does not impact the Commission as expected

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# SB 765 (Portantino)

Sponsor: State Superintendent of Public Instruction

Summary:

Starting with the 2024-25 academic year, this bill removes the need-based component of 1,000 Cal Grant awards for applicants who file a statement of intent with the Commission agreeing to enroll in a teacher preparation program that is approved by the Commission on Teacher Credentialing within one academic year of completing their baccalaureate degree.

Status: This bill was amended in the Assembly Education Committee and no longer impacts Cal Grant program

SB 242 (Skinner)

Sponsor: Grace Institute – End Child Poverty in CA

Summary:

Prohibits, to the extent permitted by federal law, the deposit of funds and investment returns accrued in a California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children trust fund account from being considered as income or assets when determining eligibility and benefit amounts for any means-tested program (including Cal Grant, Chafee Grant, Middle Class Scholarship, and other financial aid programs) until an eligible youth withdraws or transfers the funds from the HOPE trust fund account.

Status: Held in Assembly Human Services Committee (2 -year bill)

SB 307 (Ashby)

Sponsor: John Burton Advocates for Youth (JBAY)

Summary:

Expands the Middle Class Scholarship (MCS) program to allow current/former foster youth enrolled in a community college pursuing to transfer to a four -year institution, an associate’s degree, or career technical education certificate to have 100% of their unmet need covered, and other administrative changes.

Status: Held in Assembly Higher Education Committee (2 -year bill), but elements of the bill were adopted in the 2023 State Budget



## AB 25 (McCarty)

Sponsor: N/A

### Summary:

Amended after the 2023 State Budget to require the Department of Finance, following a growth of General Fund revenues for two consecutive fiscal years, to fund the cost of the Middle Class Scholarship Program, as determined by the Commission, over the five fiscal years following that growth.

Status: **Held in suspense at Senate Appropriations**

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## AB 888 (Cervantes)

Sponsor: uAspire

### Summary:

Contingent upon an appropriation, this bill extends Cal Grant eligibility to noncitizens who file an application for asylum and have a valid employment authorization document and social security number.

Status: **Held in suspense at Senate Appropriations**

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## AB 320 (Lee)

Sponsor: N/A

### Summary:

Increases the number of student Commissioners appointed by the Governor from 2 to 4, one for each segment of higher education, thus increasing the Student Aid Commission's representatives from 15 to 17.

Status: **Held in Senate Education Committee (2-year bill)**



# Federal Update



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# Federal Student Loans

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Student loan repayments resume October 2023

June 2023

- Supreme Court strikes down Biden loan forgiveness program

August 14, 2023

- Biden Administration provided a one-time adjustment to borrowers who have been in repayment for more than 20 years weren't accurately getting credit for student loan payments that should have delivered them forgiveness under income-driven repayment plans due to issues in how the Education Department and loan servicers managed federal income-driven repayment programs.

# Federal Student Loans (cont.)

August 22, 2023

- SAVE (Saving on a Valuable Education) Program
  - Income-driven repayment plan (IDR) replacing the Revised Pay-As-You-Earn (REPAYE) plan
  - Borrowers in the REPAYE plan will be automatically enrolled to SAVE
  - Borrowers with annual income <\$30,000 will have a \$0 monthly payment until their income increases
  - Starting in summer 2024, payments will be cut in half (reduced from 10% to 5% of discretionary income)
  - Loans could be forgiven in 10 years (compared to 20 years in previous IDR plans) for borrowers with original principal balances <\$12,000
  - Automatically enrolls borrowers who go 75 days without making a payment and have previously provided approval for the disclosure of their federal tax information
  - Will not charge borrowers unpaid interest as long as they make monthly payments



# Farm Bill Reauthorization

- A “must pass” federal piece of legislation that is reauthorized every 5 years to fund agriculture and food nutrition programs, including SNAP.
- The current Farm Bill is set to expire on September 30, 2023
  - However, the bill will likely be delayed until later in the year, as neither chamber has a draft of the bill, and negotiations are still happening
- There are Members of the House who are seeking additional work requirements to the SNAP program (beyond those included in the Debt Ceiling earlier this year)
  - Other House Republicans are instead seeking language that limits states’ ability to request work requirement waivers



# SNAP Legislation

## H.R. 309 ( Bonamici ) Opportunity To Address College Hunger Act

**Summary:** Requires institutions of higher education that receive grants to operate work-study programs to notify student receiving work-study that they may be eligible for SNAP.

It also requires the Department of Education to provide guidance to states and institutions on how to identify and communicate with students who are potentially eligible for SNAP.

**Status:** House Committee on Education & the Workforce

## H.R. 3183 (Gomez) & S. 1488 (Gillibrand) EATS Act of 2023

**Summary:** Removes the 20-hour work eligibility requirement for students enrolled in institutions of higher education trying to participating in SNAP.

**Status:** House Subcommittee on Nutrition, Foreign Agriculture, and Horticulture / Committee on Agriculture, Nutrition, and Forestry

# SNAP Legislation (cont.)

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## H.R. 3519 (Meng) & S. 2258 (Bennet) Hot Foods Act of 2023

**Summary:** Permits SNAP benefits to be used to purchase hot foods, including hot food products ready for immediate consumption.

**Status:** House Subcommittee on Nutrition, Foreign Agriculture, and Horticulture / Senate Agriculture, Nutrition, and Forestry

## H.R. 4456 (Williams) Overcoming Higher Education Hunger (OHH) Through the SNAP Act of 2023

**Summary:** Allows certain students, including those who have a \$0 EFC, and independent students to qualify for SNAP. The bill also excludes financial aid used for living expenses from personal income and counts time spent attending school towards SNAP work requirements.

**Status:** House Subcommittee on Nutrition, Foreign Agriculture, and Horticulture

# Federal Appropriations

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- October 1, 2023 is the start of the 2023 -24 Federal Fiscal Year
  - Comprised of 12 annual appropriation bills
- Congressional leaders plan to use a continuing resolution to grant Congress more time to work through a final spending bill and avoid a government shutdown



# Pell Grant

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## H.R. 1742 (Casten) Pell Grant Sustainability Act

**Summary:** Indexes the maximum value of the Pell Grant to inflation.

**Status:** House Committee on Education and the Workforce

## H.R. 3000 (Doggett) Tax-Free Pell Grant Act

**Summary:** Excludes from gross income any amount received as a federal Pell Grant.

This bill also expands the definition of qualified tuition and related expenses under the American Opportunity and Lifetime Learning tax credit to include computer or similar equipment (up to a maximum of \$1,000), child and dependent care expenses, and course materials.

**Status:** House Committee on Ways and Means

## H.R. 3923 (Pocan) & S. 1848 (Schatz) Debt-Free College Act of 2023

**Summary:** Establishes State-Federal partnerships to provide students the opportunity to attend in-state public institutions of higher education debt-free and extends Pell Grant eligibility to DREAMer students.

**Status:** House Committee on Education and the Workforce / Senate Committee on Health, Education, Labor, and Pensions





# Thank you!



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