California Legislature

September 10, 2019

Catalina Cifuentes Chair, California Student Aid Commission P.O. Box 419027 Rancho Cordova, CA 95741-9026

Dear Chair Cifuentes:

We write this letter to request the formation of a working group led by the California Student Aid Commission (CSAC) to assist the state Legislature's work on reforming California's financial aid system. We value the Commission's leadership on financial aid issues, and know that it shares our concern that the current system leaves too many needy college students without aid or without enough aid to successfully complete college without accumulating unmanageable debt.

Both AB 1314 (Medina) and SB 291 (Leyva) were introduced this year to improve the Cal Grant system and better serve the needs of today's students. The goals of these bills include:

- Expanding eligibility so that all students with financial need are eligible to receive financial aid at California's
 public postsecondary institutions, regardless of their age, time out of high school, or high school academic
 performance, with particular emphasis on expanding the amount of aid available for community college
 students.
- Increasing Non-Tuition Awards by linking a student's financial aid to the total cost of attendance; not just tuition and fees, but also housing and food, transportation, textbooks and supplies.
- Supporting Career Education and Degree students to ensure a student has access to financial aid regardless of whether the student seeks to complete a degree, certificate, or high-quality, short-term career program.

Both bills are works-in-progress that could benefit from technical expertise and further engagement with higher education stakeholders. We are specifically requesting that the working group review the bills and provide recommendations and costs estimates to us by March 1, 2020. We also request that the working group's recommendations include at least the following components:

- The text of specific changes in statutes and the budget bill necessary to implement the plan including details of a funding formula that addresses total cost of attendance, prioritizes students with the highest need, provides options for phasing-in a funding formula, and determines increased state costs associated with this formula.
- Estimates of participation in the reformed program in the 2020-21, 2021-22, 2022-23, and 2023-24 fiscal years.
- Estimates of the costs of implementation in the 2020-21, 2021-22, 2022-23, and 2023-24 fiscal years.

Thank you in advance for your consideration.

Sincerely

Jose Medina

61st Assembly District

Kevin McCarty

7th Assembly District

Connie Leyva

20th Senate District

