



CASFAA is a non-partisan, non-profit professional organization with a membership of more than 1,000 California student financial aid administrators. Representing more than 240 colleges and universities, its members share a common goal of improving access to and delivery of federal, state, institutional and private donor financial aid to students in the State of California.

### **Cal Grant**

CASFAA is supportive of efforts made to increase access to Cal Grants for California students. We are encouraged to see several bills that propose increasing the number of available awards and the extension of eligibility for at-risk populations. We also support efforts to encourage satisfactory academic progress. After review of legislation tied to state aid programs, we offer the following suggestions:

- **AB 1037 The Cal Grant Service Incentive Program**
  - We recommend an **alternative selection criteria**, such as, relying on campus financial aid offices to determine selection based on need and acknowledging all resources supplied to the student. There is a substantial amount of fear among Dreamers in the current climate, which can cause delayed application, which would exclude students who may have greater need for such a program under the current language.
  - Further, **we suggest eliminating the provision for organizations to register with the Commission**. A similar process is already defined for federal work-study programs, including the tracking and reporting of hours.
  - The current stipend equates to less than minimum wage.
  - Incorporate sunset clause that addresses the possibility of gaining work eligibility through Congressional action around DACA.
- **AB 2563 Cal Grant B and C awards: financial aid book advance program**
  - Campuses have varying systems and resources in place that already address book funding and this appears to be duplicative of the Pell Grant requirements. Requiring a reimbursement model between all aid offices and bookstores may cause delays for processing of other aid programs and require additional financial resources to support system modifications and reconciliation staff. Denying students the ability to learn how to manage short credit for smaller purchases such as books would be a lost opportunity.

### **Food and Housing Security**

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CASFAA appreciates the attention to student food and housing security issues. Given the cost of living in California, housing and food can be problematic for some of our students, especially those wary of borrowing student loan to help finance these areas. After careful review of pending legislation in this area, we recommend and clarify the following:

- **AB 1961 Student housing and meal plans**

- We suggest removing language that requires campuses to allow for on-campus students to forego a meal plan. Students may lack knowledge on nutritious meal planning, especially first year dependent students. **Allowing a student to *choose to participate in a meal plan poses hunger risks, which counters much of the other legislation that seeks to expand resources to address hunger on campuses.*** Many campuses already provide multiple types of meal plans, low cost for students on the go, and traditional options for students with greater meal requirements.
- The intent of this bill is unclear regarding budgets and meal costs.

#### **Transparency and Accountability**

CASFAA believes in transparency and accountability in balance with the number of statutes and regulations currently in place to address this area. As background for the following recommendations, all California State University (CSU) campuses have published standard cost of attendance budgets, which include direct mandatory costs and indirect costs shared by most students. Further, CSU, private postsecondary, and University of California students have access to their aggregate loan data via the National Student Loan Data System, and will be provided estimates of their loan repayment beginning fall 2018:

- **AB 1936 Office of Higher Education Performance and Accountability**

- In the details of the functions of this advisory board, we suggest inclusion of **language that details to what extent institutions are allowed to supply data** due to the most recent guidance from the Privacy and Technical Assistance Center (PTAC) regarding financial aid information.
- We suggest this advisory board **draw on the databases that currently exist** for institutional data when applicable to the measure, program, etc. under review. This alleviates another layer of institutional reporting, an area where campuses struggle due to financial, human, and system resources.

- **AB 3213 Cost of Attendance**

- **We do not support this bill for the following reasons:**
- 66014.25 (b)(2)(A) **duplicates AB 1178.**

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- **Dependent care costs, technology fees, and extracurricular fees may not be mandatory** and are not experienced by all students.
- **“Financial aid disbursements”** could be interpreted in a few ways, including parsing out financial aid in the designated increments, or as financial aid posting to student accounts, or as refunds to students via check or direct deposit of disbursed aid. Depending upon the specific meaning, providing this option **could cause undue hardship for off-campus students with monthly bills, most commonly rent.** Additionally, there is no clear evidence that a monthly/bi-weekly refund method improves student persistence.
- **Average earnings by major may assist a student with understanding potential career prospects, but it does little for student understanding of how to tie loan debt to potential earnings.**

### **Training and Resources**

As financial aid administrators, we value training and information resources on financial aid direct to students. This is especially true for underrepresented groups, like Dreamers and Foster Youth. We are encouraged to see legislation addressing this topic for these and other underrepresented groups. Upon review we suggest the following:

- **AB 2905 Foster Youth: Enrichment Activities**
  - Provide **clarity on treatment of these awards**, since they can also be used to pay for postsecondary education, and some of these students may also be receiving other gift aid (e.g. Chafee Grant) which may be assisting with similar costs.
- **AB 2477 Student Support Services: Dream Resource Liaisons**
  - CASFAA appreciates streamlining the need for a dedicated resource for Dreamers throughout the K-12 and postsecondary pipeline. We suggest **consideration for financial support to campuses without any current services**, unit, or persons who could fill this role.

### **Post-Graduation Benefits**

We support efforts to reduce student loan burden, provide equitable loan options for Dreamers, and support students’ transition post-graduation into the workforce. While we encourage innovative approaches to promotion of access and opportunity for future students, we have the following concerns regarding one of the income share driven bills:

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- **AB 1895 California DREAM Loan Program: repayment, deferment, and forbearance**
- CASFAA supports equitable treatment of DREAM students, including in repayment, deferment, and forbearance options similar to those offered students in the federal Direct Loan program. We suggest consideration for **potential setup costs for campuses**, where current contracted providers may impose additional costs for additional plans and options.

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