

# SB 851 (Portantino) The Cal Grant Equity and College Access Act

## PROBLEM

Under existing law, low-income California students are unnecessarily *excluded* from several parts of the Cal Grant program if they choose to attend an independent, nonprofit California college or university (ICCU), including the supplemental \$6,000 award for students with dependent children, the supplemental \$6,000 award for current and former foster youth, and the ability to utilize their California Community College Transfer Entitlement award.

Existing law also provides no mechanism nor guidance for the Cal Grant award for students attending ICCUs to increase, leading to a significant loss in purchasing power for low-income students. The award's value has lost approximately **half** its purchasing power since 2001 due to disinvestment and inflation. This limits student access to higher education opportunities at a time when the state's public universities do not have capacity to enroll every eligible California student.

Lastly, the bill addresses the need to restructure the Associate Degree for Transfer targets that are used to set the Cal Grant award amounts for students attending independent, nonprofit colleges and universities. The existing targets were made based on several factors including enrollment targets that did not envision enrollment declines. This bill would establish more appropriate metrics.

## BACKGROUND

The sponsor, the Association of Independent California Colleges and Universities (AICCU) represents more than eighty (80) independent nonprofit colleges and universities in Califor-

nia that collectively educate nearly 200,000 undergraduate students, including approximately 27,000 Cal Grant recipients and 32,000+ adult learners. AICCU institutions also enroll over 5,200 *new* California Community College students annually.

The AICCU Cal Grant population is reflective of the demographics the state has been targeting to enroll and complete higher education. Among the AICCU Cal Grant students, 47% are **first-generation** college students. Nearly half of the Cal Grant students attending AICCU institutions are Latino/a. Sixty-five percent (65%) of Cal Grant students attending an AICCU institution graduate in four years or less.

Although these students receive significant financial support from these institutions, with an average of \$23,275 in institutional grant aid provided per Cal Grant student, neither state nor federal aid has kept pace with the rising cost of housing, food, transportation, and other basic living expenses.

In 2001, the Cal Grant award amount for a student attending an independent, nonprofit college or university was \$9,708. The award amount, which is set annually in the budget act, decreased through a series of cuts and, between 2012 and 2020, remained flat at \$9,084. In 2021, the final budget agreement provided the first increase to the award amount in two decades, increasing the maximum award by \$136.

## SUMMARY

SB 851 strengthens and expands the state's support of low-income college students who choose to attend an ICCU by 1) restructuring the existing framework for Associate Degree

for Transfer (ADT) admit targets and Cal Grant award amounts to provide a pathway to future award growth for students; 2) expanding eligibility for supplemental Cal Grant support to student parents and foster youth who attend an ICCU and the California Community College Entitlement Program to allow newly eligible transfer students to use their remaining Cal Grant eligibility at an ICCU.

These changes will improve affordability for low-income students and remove artificial barriers to supplemental support offered to similar students attending a public four-year university. It eliminates the glaring discrepancy on how foster students, student parents, and CCC transfer students are treated under the Cal Grant program if these students so choose an independent college or university.

Further, SB 851 ensures that low-income students receive the state financial aid that they are entitled to by simplifying the administration of the Cal Grant program and protecting the core value of portability in the program.

The changes reflected in SB 851 will assist the state in producing the educated workforce needed, help close the equity gap among our state's college population, and restore California's Master Plan that envisioned a strong role for California's independent colleges and universities in serving students.

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## EXISTING LAW

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Independent, nonprofit institutions of higher education are defined in California Education Code Section 66010(b) to be “those nonpublic higher education institutions that grant undergraduate degrees, graduate degrees, or both, and that are formed as nonprofit corporations in this state and are accredited by an agency recognized by the United States Department of Education.”

Education Code Section 69432 outlines the state's current approach to setting the Cal Grant award amount for students attending independent, nonprofit colleges and universities. Existing law outlines annual targets for the number of students admitted to AICCU institutions with an ADT, stipulating that the award either remains at \$9,220 if targets are achieved or decreases to \$8,056 if targets are not achieved.

Education Code Section 69465 outlines the supplemental Cal Grant award of \$6,000 for students with dependent children, noting that eligibility requires the student be attending a UC, CSU, or California Community College campus.

Education Code 69470 outlines the supplemental Cal Grant award of \$6,000 for current and former foster youth and defines eligible students to be those attending a UC, CSU, or California Community College campus.

Education Code 69435.5 states that California Community College students who receive a Cal Grant award under expanded eligibility parameters passed in the 2022 Budget Act may transfer to a UC or CSU campus and remain eligible to receive a Cal Grant award, but not if they transfer to an independent institution of higher education.

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## SUPPORT

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Association of Independent California Colleges and Universities (AICCU) (Sponsor)  
The Alliance  
California Catholic Conference  
Independent California Colleges Advocate Program (ICCAP)  
John Burton Advocates for Youth  
Loyola Marymount University School of Education  
University of Southern California  
William Jessup University

**Version:** 3/7/2022