February 1, 2024

The Honorable Nancy Skinner
Chair, Senate Budget and Fiscal Review Committee
1020 N Street, Room 502
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814
Dear Budget Committee Chairs Skinner and Gabriel, and Budget Subcommittee Chairs Laird and Alvarez,

The Cal Grant Reform Coalition writes to you today to express our desire to see the Cal Grant Reform Act implemented in the 2024-25 State Budget. The Coalition recognizes the state’s potentially challenging budgetary landscape this year, and urges the Legislature to prioritize implementing the Cal Grant Reform Act, adopted in the 2022-23 State Budget, in this year’s budget process. The goal of Cal Grant reform is to make state student financial aid more accessible and equitable by:

- removing barriers to financial aid based on age, time since high school graduation, and high school Grade Point Average;
- simplifying financial aid so that it is easier to understand by consolidating eight types of Cal Grant into a Cal Grant 2 for community college students and a Cal Grant 4 for students attending public universities or eligible private institutions;
- indexing the Cal Grant 2 access award to annual inflation to maintain its purchasing power over time; and
- aligning the Cal Grant with changes in federal financial aid under the FAFSA Simplification Act such as renaming the Expected Family Contribution (EFC) as the Student Aid Index (SAI).

We understand the Legislature needs to be responsible and realistic when crafting the budget, yet we are confident that Cal Grant reform is the strongest tool at the Legislature’s disposal that will significantly impact access and affordability for tens-of-thousands of students. This is why our coalition, composed of higher education advocacy, civil rights and social justice, business and workforce, and student leadership organizations, believes that implementing the Cal Grant Reform Act is one of the wisest investments our state can make. Cal Grant reform presents a unique opportunity to improve the state’s outdated financial aid system to serve current students better and create the opportunity for over 130,000 new students to benefit from the state’s premier student financial aid system. These investments would be targeted to serve California’s lowest-income students – with nearly 98,000 new Cal Grant awards going to Latinx students, 13,000 going to Black students, and 8,000 to Asian American and Pacific Islander students.

In recent years, California has taken important steps towards strengthening college affordability through key policies and investments. The creation of the California Community College (CCC) Expanded Entitlement Cal Grant program in 2021 allowed over 170,000 low-income CCC students to access aid – both at the community college level and if they transfer to a University of California (UC) or California State University (CSU) – without being limited by arbitrary eligibility requirements. Additionally, in 2021 the state passed a universal FAFSA/CA Dream Act...
(CADAA) policy in the budget and through AB 469 (Reyes) requiring all Local Education Agencies (LEAs) to ensure that all high school senior students fill out a FAFSA or CA Dream Act Application to ensure that all eligible California students have an opportunity to access financial aid and pursue higher education. Cal Grant Reform will build upon these investments and policies and further the Legislature’s education equity efforts.

Additionally, investing in the implementation of the Cal Grant Reform Act would put California on the forefront of advancing equity in higher education at both the state and federal level. At the federal level, investing in the Cal Grant program will combat the chilling effects of the U.S. Supreme Court’s ban on affirmative action by making college realistic for thousands of BIPOC students who wouldn’t attend college without aid. At the state level, due to the ever rising costs of living and attending college, students are choosing between buying groceries, paying rent, or paying for books and campus fees. The California Student Aid Commission (CSAC) and other researchers continue to uplift painful findings that across all segments of higher education students continue to identify as food and housing insecure. Easing a student’s ability to understand, apply for, and receive a Cal Grant award will help meet their basic needs and feel more at ease knowing that they have the financial support to attend college. With your support, California can send a strong message to students and families that a college education is attainable and affordable with the state’s financial support.

Furthermore, the return of investment for California when it improves access to the state’s financial aid programs allows for greater economic security in the future. For every $1 invested in higher education, the state yields $4.50 in return. Additionally, a Californian with a Bachelor’s degree earns $30,000 more annually than someone with a high school diploma and will contribute $273,000 more in taxes during their lifetime than a high school graduate. To better protect our state from future economic downturns, as well as future national and global emergencies, we must support a greater number of students to complete a college degree or credential.

The Cal Grant Reform Coalition respectfully requests that implementation of the Cal Grant Reform Act be prioritized in the 2024-25 State Budget to fulfill the promise made to students for a better Cal Grant program.

Sincerely,
Cassandra Flandre-Nguyen
President
Student Senate for California Community Colleges

Sam Alvarez Chavarria
Vice President of Legislative Affairs
Cal State Student Association

Celene Aridin
President
University of California Student Association

Vanessa Aramayo
Executive Director
Alliance for a Better Community

Dina Walker
CEO and President
BLU Educational Foundation

Dr. Su Jin Jez
CEO
California Competes

Zima Creason
Executive Director
California EDGE Coalition

David O'Brien
Vice Chancellor for Government Relations
California Community Colleges Chancellor's Office

Vincent W. Stewart
Vice President, Policy & Programs
Children Now

Larry Galizio
President and CEO
Community College League of California

Rev. Samuel J. Casey
Executive Director
Congregations Organized for Prophetic Engagement

Camila Chavez
Executive Director
Dolores Huerta Foundation
Wendy Brill-Wynkoop
President
Faculty Association of California Community Colleges

Darcel Sanders
Chief Executive Officer
GO Public Schools

Alvin Lee
Executive Director
Generation Up

Helen Torres
CEO
Hispanas Organized for Political Equality (HOPE)

Nancy Jodaitis
Director of Higher Education
Immigrants Rising

Debbie Raucher
Director of Education
John Burton Advocates for Youth

Mike Munoz
Superintendent-President
Long Beach City College

Arnold Sowell Jr.
Executive Director
NextGen California

Meredith Curry Nuñez
Executive Director
Northern California College Promise Coalition

Gloria Corral
President and CEO
Parent Institute for Quality Education

Sbeydeh Viveros-Walton
Director of Higher Education
Public Advocates

Celi Tamayo-Lee
Executive Director
San Francisco Rising
CC: Nichole Muñoz-Murillo, Deputy Legislative Secretary, Office of Governor Gavin Newsom
Ben Chida, Chief Deputy Cabinet Secretary, Office of Governor Gavin Newsom
Joe Stephenshaw, Director, California Department of Finance
Chris Ferguson, Program Budget Manager, Department of Finance
Assemblymember Robert Rivas, Speaker of the Assembly, California State Assembly
Senator Toni G. Atkins, President pro Tempore, California State Senate
Senator Mike McGuire, President pro Tempore Elect, California State Senate