



Keeping the Promise to All Students

INVEST IN CAL GRANT REFORM IN THE 2024-25 BUDGET

REFORM

The Cal Grant Reform Coalition urges the legislature and Governor to fund their promise for a more accessible, affordable college opportunity for all by **funding the Cal Grant Reform Act, enacted in 2022-23**. Our Coalition is comprised of higher education advocacy, civil rights and social justice, business and workforce, student leadership organizations, postsecondary systems, and labor groups.

WHAT IS CAL GRANT REFORM?

The goal of Cal Grant reform is to make state student financial aid more accessible, understandable, and equitable by:

- **Removing barriers to financial aid** based on age, time since high school graduation, and Grade Point Average, making thousands more students eligible for a Cal Grant
- **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 award** to annual inflation to maintain its purchasing power over time; and
- **Aligning the Cal Grant with new changes** in federal financial aid so that counselors and educators can send a clear message about all the forms of aid for which students will qualify.

HOW MANY MORE STUDENTS WILL BE SERVED WHEN FULLY FUNDED?

The Cal Grant Equity Framework expands access to financial aid to more than **130,000 additional students**. Students in every segment of CA higher education see benefits from the changes in the Cal Grant Equity Framework.

HOW DOES THE REFORM SUPPORT EQUITY AND DIVERSITY?

The Cal Grant reform addresses key gaps in financial aid access for students of color and low-income students:

- The Cal Grant reform **expands eligibility for over 13,000 Black students and 98,000 Latino students**.
 - Black and Latino students are disproportionately impacted by the current limitations in Cal Grant



- The Cal Grant reform is important for **women and student parents**.
 - **Women comprise over 60% of all the students made eligible** for aid by the Cal Grant Equity Framework.
 - The Framework **makes over 46,000 student-parents eligible** for Cal Grants
- There are **gains for students in every demographic category**.
 - Over **8,000 API students and 15,000 White students** are made eligible for Cal Grant.
 - Undocumented students benefit from the Cal Grant reform – **over 2,500 more CA Dream Act filers are made eligible for aid**.
 - Current gaps in the Cal Grant program are restricting many low-income students from accessing financial aid – currently ineligible students that will be served under the reform have an **average income of just \$27,000**.

WHAT ARE THE ESTIMATED COSTS FOR FULLY IMPLEMENTING CAL GRANT REFORM?

- The Department of Finance, Legislative Analyst Office and the California Student Aid Commission estimated a **cost of \$195 million, with smaller one-time costs per year until 2029**.
 - **One-time costs** are due to **students being “grandfathered in”**. Any students that are currently receiving a Cal Grant would continue to receive their same kind of Cal Grant award until they graduate or exhaust their lifetime eligibility.

WHAT IS OUR REQUEST?

- Keep your promise to students and advance Cal Grant Reform in the 2024-25 state budget by making a meaningful first step towards full implementation.
- We understand we’re operating in a constrained budget landscape and are currently exploring low cost and no-cost options which allows us to make progress this year, and we hope this can be paired with a commitment to finish the full package in the future.

Making college and higher education more accessible and affordable means:

YOU are prioritizing an investment in California’s economic growth, workforce development, students, and its future!