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**Letter must include agency logo and a printed signature to be accepted.**

[DATE]

The Honorable Mike Fong

California State Assembly

Attn: Higher Education Committee

1020 N. Street, Room 173

Sacramento, CA 95814

**RE: Assembly Bill 791 (Berman), Cost of Attendance Budgets and Attendance Policies - SUPPORT**

Dear Assemblymember Fong:

On behalf of [Organization’s name], I am writing in **SUPPORT** of **Assembly Bill (AB) 791,** authored by Assemblymember Marc Berman, which will require institutions in California to maintain accurate and transparent Cost of Attendance (COA) budgets and adjustment policies and prevent institutions from imposing unrealistic deadlines or limitations on COA adjustments to ensure students can more easily access sufficient financial aid.

[**OPTIONAL**: include a paragraph about your organization’s specific knowledge of need for this bill]

Cost of attendance (COA) is a college or university’s determination of what a student must pay to attend that institution each year, including both tuition and non-tuition costs. These budgets are critical to student success because they determine the maximum amount of financial aid students can receive. If a COA budget underestimates expenses, students may receive financial aid that is less than their actual expenses, requiring they cover the difference through support from family, working, private borrowing, reducing enrollment, or even dropping out entirely. This can disproportionately impact students who may have additional costs and less generational wealth, like low-income students, students with experience in foster care or homelessness, and student parents.

Higher education institutions set these budgets internally using a methodology that is unique to their campus or system, although institutions typically do not make information about how COA figures are calculated and what assumptions are included, accessible. Regardless of how institutions and systems set their COA budgets, federal authority allows financial aid administrators to make COA adjustments for individual students on a documented case-by-case basis. [Recent research](https://jbay.org/resources/college-costs-uncovered/) conducted by JBAY found that over half (53%) of colleges and universities in California use COA budgets that are lower than estimated regional costs. In some cases, the gap between a student’s estimated living expenses and their maximum financial aid eligibility was more than $10,000. And while institutions are required to offer students the ability to increase their COA and financial aid eligibility, the research found that nearly two-thirds of institutions did not make their COA adjustment policies publicly available on their websites. This places undue burden on students to seek out adjustment policies and processes, if they are even aware of them. In addition, there are often arbitrary restrictions on allowable adjustments. For example, some colleges would not consider adjustments for housing costs that exceeded their COA budget, leaving students without the necessary financial aid to cover their actual expenses, while other colleges would allow an adjustment for any category within their budget.

To address these challenges, AB 791 would require institutions to do the following as a condition of participation in the Cal Grant program:

* Utilize housing costs that represent at least one-half of median rents for a two-bedroom apartment for the California county where the college is located, as published by the [U.S. Department of Housing and Urban Development](https://www.huduser.gov/portal/datasets/50per.html).
  + - * Publish the basis for amounts included in each category within their COA budgets, including data sources used and assumptions made.
* Clearly advertise their policy for making COA adjustments on their website and financial aid award letters.
* Allow adjustments to any student budget expense category included in a college’s COA, including housing, food, transportation, books and supplies, and personal expenses.
* Not impose deadlines on when COA adjustments can be requested or restrictions on the number of COA adjustments a student is able to request.
* Require institutions to provide flexibility regarding acceptable documentation of expenses.
* Allow for a second review of an adjustment request that is denied, if requested by the student.

AB 791 will help prevent financial aid shortfalls and is a crucial step to ensuring that low-income students have the financial resources they need to pursue their postsecondary educational goals.

Sincerely,

Signature (letters must have an original signature to be accepted)

Full Name

Title

Organization