

AB 2251: Improving Student Access to Financial Aid

[Assembly Bill \(AB\) 2251](#), authored by Assemblywoman Celeste Rodriguez (D-San Fernando), was signed into law by Governor Newsom on September 30, 2026. The bill improves student access to financial aid by strengthening transparency and consistency in how California colleges and universities establish Cost of Attendance (COA) budgets and process students' COA adjustment requests.

WHAT IS COST OF ATTENDANCE (COA) AND WHY DOES IT MATTER FOR STUDENTS?

Cost of Attendance (COA) is an estimate of a student's total educational expenses for an academic year. In addition to tuition and fees, it includes expenses such as housing and food, books and supplies, transportation, and other personal expenses.

COA serves as a financial aid ceiling: no student can receive aid exceeding their COA. Need-based aid is further capped at the difference between COA and the Student Aid Index (SAI), the amount that they and their family are expected to contribute toward their education. Institutions set individual COA amounts using a variety of sources, including federal datasets, local cost surveys, and student surveys.

WHAT IS A COA ADJUSTMENT?

When a student's actual educational expenses are higher than the amounts included in their COA, the student may ask their financial aid office to increase their COA through an adjustment.

Federal financial aid rules allow financial aid administrators to use professional judgement to make COA adjustments on a documented, case-by-case basis to reflect special circumstances, such as higher-than-average expenses. AB 2251 establishes additional requirements for California institutions to make information about COA and the adjustment process more transparent and accessible to students.

WHAT DOES AB 2251 DO?

AB 2251 requires institutions participating in the Cal Grant Program to do the following:

- a) **Increase transparency of COA budget calculations:** Prominently display the data sources and assumptions used to calculate each component of the institution's COA budget on its COA webpage.

- b) **Allow adjustments to any COA expense categories:** Establish a process that allows students to request an adjustment to any expense category included in the institution's COA budget, including housing, food, transportation, books and supplies, miscellaneous personal expenses, and dependent care.
- c) **Consider adjustment requests for a range of circumstances:** This may include housing and utility costs that exceed the COA allowance; computer purchases; uninsured medical, dental, or optical expenses; transportation costs that exceed the allowance, including gas, repairs, and insurance; dependent care expenses; and certain disability-related expenses.
- d) **Provide accessible options for submitting requests:** Accept COA adjustment requests electronically or in hard copy.
- e) **Allow students to submit adjustment requests throughout their enrollment:** Allow students to submit requests during enrollment, prohibit deadlines earlier than three weeks before the end of each term, and prohibits limiting the total number of requests a student may submit throughout their enrollment.
- f) **Accurately communicate the COA adjustment process.** Prominently display, using student-friendly language, information on the institution's COA webpage about how to submit a request, the timeline for review and notification of the decision, and contact information for staff who can assist students with completing a COA adjustment request.
- g) **Clearly communicate potential financial aid outcomes.** If publicly available materials or communications—including websites, publications or forms—describe the potential outcomes of an approved COA adjustment, they must state that an approved request may result in various forms of additional financial aid, including but not limited to, grant aid or loans.

WHEN DOES AB 2251 REQUIRE INSTITUTIONS TO IMPLEMENT THESE POLICIES?

No later than the start of the 2027–28 academic year.

WHICH INSTITUTIONS ARE REQUIRED TO COMPLY WITH AB 2251?

AB 2251 applies to institutions that participate in the Cal Grant Program, including California Community Colleges (CCC), California State Universities (CSU), University of California (UC) campuses, and qualifying private and independent institutions. Compliance with AB 2251 will be a condition of being a “qualifying institution” under the Cal Grant Program.

WHAT TYPES OF EXPENSES CAN STUDENTS REQUEST A COA ADJUSTMENT FOR?

Institutions must allow students to request adjustments to any student expense category included in the institution’s COA budget, including, but not limited to:

- Books, materials and supplies
- Purchase of a computer
- Reasonable living expenses, including food, housing and utility costs
- Uninsured medical, dental, or optical expenses
- Transportation expenses that exceed the institution’s allowance, including automobile expenses such as gas, repairs, and insurance
- Dependent care expenses for parenting students
- Certain expenses associated with a student’s disability, including special services, personal assistance, transportation, equipment, and supplies that are reasonably incurred and not provided by other agencies
- Study abroad programs costs

DOES AB 2251 REQUIRE INSTITUTIONS TO APPROVE ADJUSTMENTS FOR THESE EXPENSES?

No, financial aid administrators still have professional judgment to make decisions on a case-by-case student basis.

CAN INSTITUTIONS REQUIRE DOCUMENTATION FOR A COA ADJUSTMENT?

Yes. The financial aid administrator must substantiate the student’s circumstance with supporting documentation; however, the law does not specify what documentation must be collected. This can include a documented

interview with a student or written statement from the student or other appropriate sources.

CAN AN INSTITUTION ESTABLISH A DEADLINE FOR SUBMITTING A COA ADJUSTMENT REQUEST?

Yes, but no earlier than three weeks before the end of each term.

DOES AB 2251 ESTABLISH A REQUIRED TIMELINE FOR REVIEWING COA ADJUSTMENT REQUESTS?

No, however, institutions must prominently display the institution’s timeline for review and notification of the decision as part of the COA adjustment information provided to students.

DOES AN APPROVED COA ADJUSTMENT AUTOMATICALLY PROVIDE A STUDENT WITH ADDITIONAL FINANCIAL AID?

No. An approved COA adjustment increases the student’s COA, which establishes the maximum amount of financial aid the student may receive. It does not itself create or guarantee additional financial aid. Depending on the student’s circumstances and available aid, however, increasing the COA may allow the student to access additional grants, scholarships, loans, or other financial assistance for which they are otherwise eligible.

DOES AB 2251 CONFLICT WITH FEDERAL LAW?

No, the provisions of AB 2251 are in alignment with existing federal law.