



May 16, 2019

The Honorable Kevin McCarty  
 Chair, Assembly Committee on Budget, Subcommittee 2 on Education Finance  
 State Capitol, Room 2136  
 Sacramento, CA 95814

**RE: Making a Down Payment Towards College Affordability in the 2019-20 State Budget**

Dear Chair McCarty:

[Californians for College Affordability](#) is a diverse coalition of higher education advocacy, civil rights, student leadership, workforce and business organizations that works to strengthen California’s need-based financial aid programs so that all students – regardless of income – can afford to attend and complete college. **We are writing to urge you to increase the number of annually available competitive Cal Grants and the size of the Cal Grant B access award in the 2019-20 state budget**, so that more students across all types of colleges get the assistance they need to cover total college costs and successfully earn a higher education credential.

Experts and legislative leaders like yourself know that California has a serious [college affordability problem](#), and one that has a wide range of negative implications for California students, [particularly for low-income](#) and underrepresented students. Ongoing work by you and other legislative leaders to craft broader financial aid reforms are essential to California's future, but today's students need a down payment on that reform now. Currently, more eligible students are turned away than are served by the Cal Grant program, and many recipients are starkly underserved. Unaffordable college costs are slowing down and even thwarting students' ability to graduate, worsening equity gaps in college enrollment and completion, and leaving students – particularly low-income students and students of color – with [burdensome debt](#).

In his January budget proposal for 2019-20, Governor Gavin Newsom included an investment of approximately \$130 million to start closing affordability gaps, as a down payment towards future reform efforts designed to eliminate eligibility barriers and ensure students can afford their entire cost of attendance. We respectfully urge you to dedicate this level of resources *or more* to financial aid investments that will help today's students access and succeed in college, without relying on burdensome levels of student loan debt. Doing so will ensure that thousands of needy students, many of them parents of dependent children, attending all types of colleges receive more of the aid they need to cross the academic finish line and be productive contributing members of the state's economy.

**This year, we urge you to invest new resources in new competitive Cal Grant awards.** Spending \$130 million in 2019-20 would provide awards to nearly 60,000 new recipients, more than tripling the size of the current program. This investment would be:

- ***Squarely in line with ongoing financial aid reform efforts like yours.*** With financial aid reform efforts focused on reducing or removing eligibility barriers that keep students from receiving Cal Grants, funding additional awards is the most straightforward way to begin to do that.
- ***An effective way of supporting student parents.*** Based on California Student Aid Commission data, more than 21,000 of the new competitive Cal Grants (more than one third of the 60,000 additional new awards) would reach student parents. These are students who are among the hundreds of thousands currently eligible for Cal Grants who do not receive one given how few awards are available.
- ***Leveraged to create access to greater financial aid availability.*** In recent years, full-time California community college (CCC) students who receive Cal Grants can receive up to \$4,000 annually in financial aid to help cover non-tuition expenses through the Student Success Completion Grant. With non-tuition college costs expected to exceed \$20,000 in 2019-20, these are essential resources for the students who receive them, but just five percent of CCC students receive Cal Grants. With most competitive Cal Grant recipients enrolled at community colleges, increasing the number of Cal Grants available would enable more

students – including those with dependent children – to access the Student Success Completion Grant as well.

- *A restoration of the odds for eligible Cal Grant applicants.* When the competitive grant program was created in 2001, eligible applicants had a one-in-four chance of getting an award. Over the intervening years, eligible applicants' chance of receiving a grant has fallen to a current low of one in fourteen. Tripling the number of awards available would restore applicants' odds back to where they were at the start of the program, a critical stepping stone towards broader reform efforts in which eligibility barriers no longer hold students back.

**Additionally, we urge you to invest in increasing the size of the Cal Grant B access award that helps the lowest income Californians pay for non-tuition college costs.** Whereas Cal Grants covering statewide tuition costs have increased in lockstep with public university tuition over the decades, the Cal Grant B access award designed to help low-income students pay for non-tuition college costs now holds just one-quarter its original purchasing power. The current maximum award is \$1,672, yet it would be over \$6,800 today had its value kept pace with inflation. Approximately \$122 million would raise the access award to a maximum of \$2,000 annually. With low-income students and students of color much more likely to graduate with debt than their better represented peers, providing additional need-based aid will also help to reduce the inequitable burdens of student loan debt on California's underserved students, most of whom already attend public colleges tuition-free.

We thank you for your sustained commitment to increasing college affordability and decreasing reliance on student loan debt and excessive work hours for California's students, including the substantial work you have put into crafting financial aid reform legislation to this effect. **As that work continues, we urge you to take key first steps through the 2019-20 state budget by increasing the number of competitive Cal Grants and the size of the Cal Grant B access award.**

Thank you for your consideration and your leadership.

Sincerely,

Asian Americans Advancing Justice – Los Angeles  
Bay Area Council  
California Competes  
California EDGE Coalition  
California Homeless Youth Project  
California STEM Network  
Cal State Student Association  
The Campaign for College Opportunity  
EARN  
East Bay Leadership Council

The Education Trust – West  
The Institute for College Access & Success  
John Burton Advocates for Youth  
Los Angeles Area Chamber of Commerce  
NextGen California  
Public Advocates  
Southern California College Access Network  
Student Senate for California Community Colleges  
Student Trustee Caucus of the Student Senate for California Community Colleges  
uAspire  
University of California Student Association  
Young Invincibles

CC: Members, Assembly Committee on Budget, Subcommittee 2 on Education Finance  
Assemblymember Phil Ting, Chair, Assembly Committee on Budget  
Assemblymember Anthony Rendon, Speaker of the Assembly  
Mark Martin, Consultant, Assembly Committee on Budget, Subcommittee 2 on Education Finance  
Mónica Henestroza, Special Assistant, Speaker of the Assembly