FLOOR ALERT

TO: Members of the California State Senate


RE: AB 1456 (Medina, McCarty, Leyva) - Support as Amended September 3, 2021
DATE: September 7, 2021

As a diverse coalition of higher education advocacy, civil rights and social justice, business and workforce, and student leadership organizations united in strengthening state need-based financial aid so that all Californians can afford to successfully earn a higher education credential, we write in strong support of AB 1456 (Medina, McCarty, Leyva), the Cal Grant Reform Act, as amended September 3, 2021.

Now is a timely opportunity for AB 1456 to build upon the recent historic budget investments to expand access to the Cal Grant program by streamlining and simplifying it, removing barriers to Cal Grant access based on GPA, and ensuring that California’s least resourced students continue to be prioritized and supported through these investments. Primarily:

- Ensuring that all students receive the awards for which they are eligible remains an urgent priority for the state, as reflected in the budget’s lifting of the time-out-of-college and age restrictions on the Cal Grant for CCC students. AB 1456 takes this milestone budget action one step further by removing GPA limitations for the lowest income CCC students (those eligible for the maximum federal Pell Grant). With CCCs serving the majority of the state’s students of color, these colleges play a critical role in closing equity gaps in higher education access and success.

- AB 1456 takes important steps to ensure the access award does not drop below the current maximum of $1,656 and includes a much-needed automatic annual growth factor by tying the Cal Grant 2 (now the CCC entitlement) access award to the California Consumer Price Index to avoid the further decline in value that the award has experienced over the years – had the award kept pace with inflation it would be worth over $7,000 today.

- AB 1456 also provides guidance for future investments and implementation efforts. This bill provides an opportunity to streamline and simplify the Cal Grant program and continue efforts to close racial equity gaps by consolidating the multiple current Cal Grant awards into a Cal Grant 2 and Cal Grant 4 and aligning it with forthcoming changes to federal needs analysis.

We applaud the steps that AB 1456 takes towards dismantling long standing structural issues that have kept too many students from receiving a Cal Grant. The budget investments, combined with the supporting changes that AB 1456 offers will make the Cal Grant program easier for students and families across the state to navigate, ultimately expanding college affordability for thousands of Californians. We look forward to supporting implementation efforts and working with state leaders to outline a timeline for providing Cal Grant 4 to at least all Cal Grant applicants with Pell Grant-eligible financial circumstances, developing an even stronger growth adjustment by tying the Cal Grant 2 access award to the actual changes in non-tuition college costs as identified by the institutions, and ensuring the continuation of expanded benefits for community college students as approved in the 2021-22 state budget.

As organizations that have been invested for many years in meaningfully strengthening and equitably reforming state need-based financial aid, we are pleased to support AB 1456, which is vital to eliminating barriers to state financial aid and ensuring the state’s economic path out of the pandemic is equitable, and respectfully urge an AYE vote.