

# Keeping Your Constituents Informed

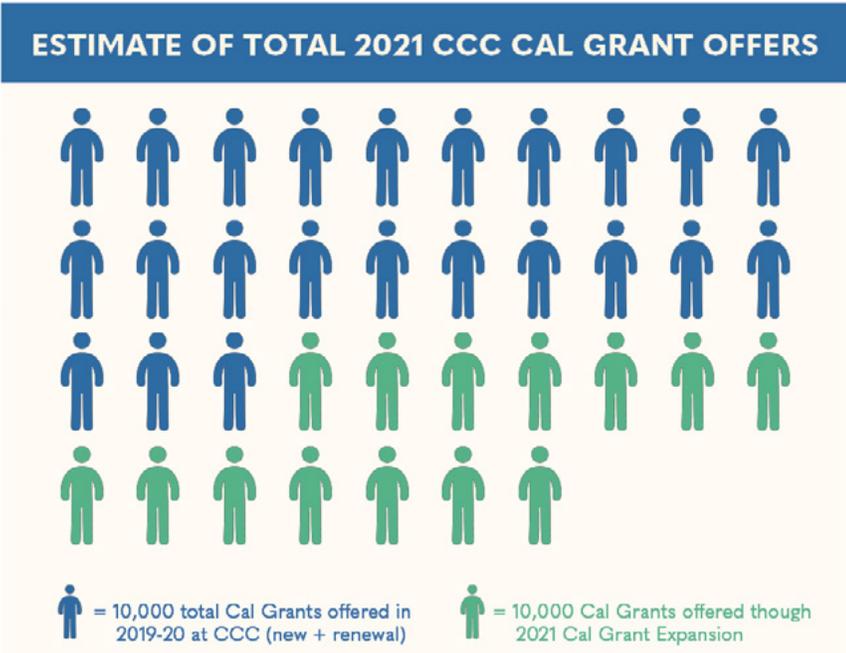
## California's New, Historic Investments in Financial Aid and Education Data

### Introduction

The 2021-22 California state Budget Act includes critical investments toward closing equity gaps in college access and attainment, both during the COVID-19 pandemic and beyond. Notably, the budget allocates more than **\$150 million** in the first year of implementation to ensure that low-income community college students have access to the Cal Grant program and established an affordability framework for students at California's public universities.

Included alongside these momentous investments is also significant funding for the Cradle-to-Career statewide longitudinal data system, as well as funding for the Bureau for Private Postsecondary Education for expanded data collection, which will allow policymakers, educators, and the public to better understand and address disparities in educational and economic opportunities, ensure accountability over taxpayer expenditures, and improve outcomes for students throughout California.

### FAQ: The 2021-22 California State Budget Act



**Q:** How will eligibility for Cal Grant entitlement awards be different for community college students with this year's state investments and moving forward?

**A:** Moving forward, low-income students who meet other eligibility requirements at California Community Colleges (CCC) will be guaranteed a Cal Grant regardless of their age and time out of high school.<sup>1</sup> As of November 2021, an additional **140,000** (about a 38% increase from 2019-20) CCC students were offered a Cal Grant with the program expansion.<sup>2</sup> This number will grow in future years and the state budget does anticipate ongoing funding.

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**Q:** Would the new investments in CCC entitlement awards still apply if a CCC student transfers to a four-year university?

**A:** Yes. CCC students who receive an award under the new program will remain eligible for the award after transferring to CSU or UC, but not after transferring to a private institution. Students will continue to be bound by the award year limit (maximum of 4 award years).

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**Q:** Will the Competitive Cal Grant program remain the same with the expansion in CCC entitlement Cal Grants?

**A:** Because the new entitlement program eliminates the need for competitive awards at CCC, the number of new competitive awards available each year will be reduced from **41,000** awards for students attending all segments to **13,000** awards for students attending segments other than CCC.<sup>3</sup>

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**Q:** How will the new Cal Grant investments affect students with dependent children and former foster youth students?

**A:** Under existing provisions, Cal Grant students attending a UC, CSU, or CCC campus who have dependent children may be eligible for an access award of up to **\$6,000**. The Budget Act includes **\$15M** ongoing funding to create a supplemental Cal Grant award for current and former foster youth students attending UC, CSU, and CCC. This supplemental award increases the maximum amount of nontuition aid for eligible students from **\$0** to **\$6,000** for Cal Grant A recipients, from **\$1,648** to **\$6,000** for Cal Grant B recipients, and from **\$1,094** to **\$4,000** for Cal Grant C recipients.<sup>4</sup>

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**Q:** Beyond these historic investments in state financial aid, does the Budget Act include any funding to support students' basic needs?

**A:** The Early Action Package, approved in February 2021, provided -- among other investments -- **\$100 million** in emergency financial aid to CCC students and **\$3.1 million** to support student enrollment in CalFresh. The final budget provides **\$30 million** ongoing for each CCC to create a centralized basic needs center and hire a basic needs coordinator. The budget provides another **\$30 million** ongoing for colleges to expand mental health services offered to students. In addition, the budget provides an additional **\$100 million** one-time for colleges to address students' heightened food and housing insecurities during the pandemic.<sup>5</sup>

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**Q:** How will the Middle Class Scholarship (MCS) awards differ from previous years, after this year's funding goes into effect?

**A:** Starting 2022-23, the MCS program will be based on the total cost of attendance rather than only the tuition charge. The California Student Aid Commission (CSAC) will first take into account other available gift aid, a student contribution from part-time work earnings, and a parent contribution for dependent students with a household income of over **\$100,000**. It then will deduct these amounts from a student's total cost of attendance to determine whether the student has remaining costs.<sup>6</sup>

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**Q:** How will the Cradle-to-Career (C2C) data system be useful to students and their families, and will there be resources/tools to ensure that the data remain accessible and easy to understand for the general public?

**A:** [The Cradle-to-Career System](#) will include a suite of user-friendly resources focused on early learning through K-12 and higher education, as well as on the financial aid and social services that help students reach their goals. It will include planning and application tools for students, families, and educators to streamline the

college and financial aid processes and monitor student progress, and community engagement and training efforts are being planned to raise awareness of the data system and ensure it can be used by students, families, educators, researchers, and policymakers.

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**Q:** Will for-profit college data also be a part of the C2C data system?

**A:** Yes, the budget includes funding for the Bureau for Private Postsecondary Education (BPPE) to gather data on workforce outcomes at for-profit colleges, which will be incorporated into the C2C data system. This is a key milestone because it means that BPPE can finally begin collecting and reporting the employment and wage data for students at for-profit institutions in California as required by AB 1340 (2019). However, institutions that are exempt from BPPE oversight will not be required to provide these data to the C2C system.

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**Q:** When will the public be able to access the C2C data system?

**A:** The legislature authorized the creation of the Cradle-to-Career System in 2019. The tools were designed via a collaborative 18-month planning process. It involved state agencies, community members, and data experts. The data system will be developed starting in Fall 2021, with [plans](#) to begin launching the dashboards and query builder and expanding access to planning tools in 2022-23.

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## Endnotes

1. Legislative Analyst's Office. October 11, 2021. "The 2021-22 California Spending Plan (Higher Education)." <https://lao.ca.gov/Publications/Report/4461>.
2. Calculated by TICAS using 2019-20 Cal Grant offered awardees data for CCC students from the California Student Aid Commission (CSAC).
3. Legislative Analyst's Office. October 11, 2021. "The 2021-22 California Spending Plan (Higher Education)." <https://lao.ca.gov/Publications/Report/4461>.
4. *ibid.*
5. *ibid.*
6. *ibid.*