



CALIFORNIA POLICY PRIORITIES

To remain the fifth largest economy in the world, **60 percent** of Californian residents must have a college credential to meet workforce demands by 2030. Yet, college affordability barriers are increasing in California, putting degrees out of reach particularly for students of color. In 2018-2019, **nearly one in three college students** in California reported food and housing insecurity with Black students indicating the highest levels of housing insecurity (47 percent) and food insecurity (54 percent). California students indicated that the **cost of college and school-work balance** were the biggest barriers to their success. Furthermore, the average debt levels for California college graduates **grew by 34 percent** from 2004 to 2019, disproportionately affecting Black students regardless of income -- Black adults with a college degree have **less wealth** than white adults who have not completed high school. It is time for our colleges and universities to address the growing cost gaps and racial inequities in California's higher education system and lead with affordability and racial equity strategies to break the cycles of poverty, not exacerbate them.

Lawmakers must prioritize equitable access to an affordable higher education as they make decisions regarding the budget deficit. Since the Great Recession, California **increased per-student education appropriations** for its colleges and universities, but it took 10 years. Today's students cannot afford to wait a decade. It is imperative that this investment continues, especially for our public systems of higher education, to ensure economic mobility and recovery after COVID-19.

uAspire, a national nonprofit focused on college affordability, advises over 10,000 students annually to access financial aid and manage college costs. As the primary consumers of higher education, students' expertise must drive policy and system changes. By centering students, uAspire aims to simplify pathways to financial aid, make college costs transparent to students, and guarantee equitable distribution of resources in California. Given the state's financial constraints, uAspire proposes cost-efficient policy solutions directly informed by the students we serve to make college more affordable for low-income students and students of color. **To guarantee every student has access to an affordable college education, uAspire looks forward to partnering with higher education advocates and stakeholders to:**

- Standardize financial aid terms and aid offer formats for California's colleges and universities
- Increase access to public benefits for students attending California's colleges and universities
- Protect, streamline, and strengthen the Cal Grant
- Simplify the California Dream Act Application and expand access to financial aid for undocumented students
- Streamline transfer pathways
- Dramatically increase financial aid application completion

Standardize financial aid terms and require aid offer formatting for California's colleges and universities

Financial aid terms vary greatly between colleges and from one phase of the financial aid process to another. When choosing which college to attend, [uAspire research](#) shows that students have to decipher confusing financial aid offers that often omit key information. Colleges must give students essential information about the indirect expenses (non-tuition costs like textbooks, transportation, off-campus housing, and food) that make up more than [half the cost of college](#). Obscuring the full cost of college forces students to make college decisions based on inaccurate financial information, putting them at risk of dropping out and under- or over-borrowing. The lack of clear and complete price tags on the total cost of college threatens students' ability to meet their basic needs as well as their long-term financial health. **To standardize financial aid terms and require aid offer formatting California's colleges and universities should:**

- Adopt common financial aid offer terminology and formatting across the California Community Colleges, California State University, and University of California systems
- Standardize indirect expense terms and definitions and require inclusion of an itemized breakdown of estimated indirect expenses on institution websites
- Utilize the California Student Aid Commission's SEARS survey to independently assess college costs when calculating indirect expenses to make estimates between colleges more comparable

Increase access to public benefits for students attending California's colleges and universities

Federal and state benefits are a significant source of aid for California students who are struggling with unmet financial need and covering non-tuition costs. Public benefits such as CalFresh can supplement student aid programs, providing short-term support so students can limit employment to focus on completing a degree. Unfortunately, a lack of transparency and information-sharing across state agencies prevent students from benefitting from these programs. Efforts such as Senate Bill 173 ([2019, Dodd](#)) and Assembly Bill 453 ([2017, Limón](#)) have increased the enrollment of college students in public benefit programs. Yet many of the [370,000 Cal Grant recipients](#) are still unaware of their benefits eligibility and experience difficulty qualifying and applying for these programs. **To increase access to public benefits for students California's policymakers should:**

- Mandate interagency data sharing to streamline benefits application and eligibility determination through the creation of the Cradle-To-Career Data System
- Require counties to partner with colleges to facilitate public benefit enrollment and support students in completing applications
- End restrictions that limit student access to California's public benefit programs, such as requiring recipients to work at least half-time
- Pursue statutory changes to reduce barriers such as in-person eligibility interviews

Protect, streamline, and strengthen the Cal Grant

California has one of the largest and most generous state financial aid programs in the country. Established in 1960, the Cal Grant system provides over \$2 billion in financial aid for low- and moderate-income students attending California's colleges and universities. Unfortunately, the Cal Grant has not kept up with the [rate of inflation](#). While the cost of attendance has significantly increased, Cal Grant amounts for non-tuition costs have [remained stagnant](#). A difficult application process combined with [rationing mechanisms](#) such as age, time out of high school, and GPA requirements make it difficult to even receive a financial aid award. Limited government funding further limits the total dollar amount and maximum number of awards. Currently based on a tuition-centric model that mostly serves "traditional" college students, it is time to reimagine and redesign the state's financial aid system. **To protect, streamline, and strengthen the Cal Grant lawmakers should:**

- Ensure a Cal Grant award for all students who meet eligibility requirements
- Increase the dollar amount of the Cal Grant B access award to help low-income recipients limit their work hours and focus on their studies
- Remove [barriers to Cal Grant eligibility](#), including age, time out of high school, and GPA verification
- Prioritize opportunities to financially cover the total cost of attendance including indirect expenses in higher education

Simplify the California Dream Act Application and expand financial aid for undocumented students

Due to Assembly Bill 540 ([2001, Firebaugh](#)), California leads the country in providing a pathway for undocumented students to receive financial aid. However, the California Dream Act Application (CADAA) is notoriously long and rife with redundancies. Without the support of trained professionals, students and families are left on their own to navigate complex immigration questions. For the [92,000 undocumented students](#) enrolled in the California higher education system, the communication of financial aid lacks clarity. **To simplify the California Dream Act Application and expand financial aid for undocumented students, lawmakers should:**

- Initiate a statewide California Dream Act Application campaign to address the concerns of undocumented students and assure them of the privacy and safety of their personal information
- Reexamine and update the California Dream Act Application to eliminate duplicative and intimidating questions such as the Selective Service verification requirement
- Explore funding institutions to supplement financial aid to cover costs beyond tuition for undocumented students who are ineligible for public benefits

Streamline transfer pathways

Transferring from California's community colleges to its public universities has long been central to the state's higher education system. **Fewer than half** of the state's 2.2 million community college students transfer within six years of their initial enrollment. This is due to a complex pathway filled with misalignment of transfer course requirements, confusion over the Cal Grant Transfer Entitlement Award, and decentralized information. It is estimated that the current, prolonged transfer pathway from community colleges to public universities costs transfer students an additional **\$36,000-\$38,000** to attain a bachelor's degree. Streamlining transfer pathways will increase accessibility and optimize taxpayer dollars by eliminating unnecessary barriers to receive a degree. **To streamline transfer pathways to ensure a more affordable and accessible process, California's higher education systems should:**

- Centralize transfer pathway information and resources within and across each public segment and clearly communicate this information to advisors
- Provide clearer guidance, advising, and communication to students on how to utilize their Cal Grant Transfer Entitlement Award
- Target funds to provide high-quality, consistent advising about transfer and other requirements for low-income students and students of color attending community colleges

Dramatically increase financial aid application completion

As the cost of college continues to rise, it is imperative that students complete a financial aid application. Nearly **\$550 million** in federal and state aid is left on the table each year. This is a critical equity issue. **Research** shows that under-resourced school districts with large concentrations of low-income students and students of color experience lower financial aid application completion rates than wealthier districts. In California, FAFSA completion by first-time freshmen decreased roughly **10 percent** and CADAA completion by first-time freshman declined **45 percent** from the 2020-21 and 2021-22 financial aid cycles. **To dramatically increase financial aid application completion and ensure allocated funding reaches students most in need, California's lawmakers should:**

- Provide funding to hire additional school counselors to support students in completing financial aid applications
- Develop and leverage a federal-state partnership to bolster financial aid application counseling for under-resourced schools
- Require school districts to verify that every high school senior has completed the FAFSA/CADAA, while providing opt-out waivers for students who do not wish to complete a financial aid application

For questions, please contact: Tyler Wu, uAspire California Policy Director, tylerw@uaspire.org