



**Written Testimony of Laura N. Metune
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**Little Hoover Commission
Public Hearing
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Good morning Chairman Nava and members of the Little Hoover Commission. I am Laura Metune, Vice Chancellor of Governmental Relations with the California Community Colleges. Thank you for the opportunity to speak this morning and thank you for your leadership on this important issue.

A college credential is increasingly the key for Californians to unlock social mobility and economic prosperity. A student's ability to afford the tuition and non-tuition costs of college play a major role in their decision to attend and their ability to graduate.

The Master Plan for Higher Education provides a commitment to college access for all; directing the vast majority of California's students to begin their journey at one of the 115 California Community Colleges. Yet, the state's higher education funding policy reinforces two deeply concerning inequities for these students:

- First, community colleges serve the highest number of low-income students, but receive the lowest per-student funding of any of the state's education segments.
- Second, the state's financial aid policies reinforce outdated stereotypes about "traditional" students, and disadvantage the community college students of today—providing little aid to meet their basic needs like food and housing.

With nearly 2.2 million students, the California Community Colleges represent the largest system of higher education in the nation. The vast majority of California's students – first-generation college students, low-income students, and students of color – will begin their higher education journey at the California Community Colleges. The community college system is the state's largest workforce education provider, and many students who go on to receive a bachelor's degree will begin in our system. In fact, 51 percent of California State University (CSU) graduates and 29 percent of University of California (UC) graduates transferred from a California Community College.

California policymakers have worked hard to ensure that tuition is not a barrier for community college students – and we celebrate that work. The California College Promise Grant (formerly the BOG Fee Waiver) pays tuition for all students with financial need in our system. Nearly one million students have their tuition waived under this program. The California College Promise provides tuition coverage for up to one year for students who do not meet the income threshold for the Promise Grant, and who are first-time and attending

full-time. For those students who do not qualify for either the Promise Grant or the Promise program, they pay, by far, the lowest fees in the nation – less than \$1,400/annually.

However, the total cost to attend a California Community College is much more than tuition. Costs like food, housing, and textbooks can exceed \$19,000 annually; and, because so little grant aid is available to cover those non-tuition costs at a California Community College, it can be less affordable for low-income students to attend the community colleges than to attend the University of California in their region.

Under the existing structure, the Cal Grant Program provides entitlement awards only to recent high school graduates who meet certain age, income, and high school performance eligibility requirements. Many community college students come to our system several years after high school – over 40 percent of California Community College students are over the age of 25 – making them ineligible for the Cal Grant entitlement. Students who are ineligible for the entitlement award may be eligible for a Competitive Award, but the demand far exceeds the supply. These constraints in the Cal Grant program mean that, while nearly half of all California Community College students meet the low-income standard to receive the system fee waiver (the California College Promise Grant), only about 5 percent receive a Cal Grant. For those community college students that do receive a Cal Grant, the actual dollar value of that grant is significantly less than for students attending the CSU, UC, and our private institutions.

Financial aid is a core component of student success. Recognizing that reality for our students, in September of 2018 our Board of Governors voted to establish financial aid as a priority for our system, and set three principles for how expansion should occur:

- First, all California Community College students with financial need should be eligible to receive financial aid – regardless of their age, time out of high school, or high school academic performance.
- Second, a student’s financial aid should be linked to the total cost of attendance – not just tuition and fees, but also housing, food, transportation, and supplies.
- Third, a student should have access to financial aid regardless of whether the student seeks to complete a degree, certificate, or high-quality, short-term career program.

In short, the Board of Governors voted to establish a financial aid structure for low-income California Community College students that mirrors the model currently provided for low-income students who begin in the University of California system.

To further this policy priority, our Board of Governors sponsored Senate Bill 291 – to create the California Community College Financial Aid Program. As proposed, the program would provide a community college student with a new grant linked to the cost of attendance, one that accounts for the gift aid they already receive and the resources they have to contribute. This aid would help students eliminate loan debt and reduce excessive work obligations, giving them the support they need to complete their programs on time. In order to participate, colleges would also be required to implement evidence-based practices that support successful student outcomes; practices like dual enrollment, early outreach to high schools,

basic skills reforms, and guided pathways. Senate Bill 291 requested an investment of \$1.5 billion, phased in over six years, to fund the new program.

On behalf of the California Community Colleges, I want to thank Senator Leyva for championing this issue and introducing the bill. I also want to recognize the leadership of Assembly Members McCarty and Medina in introducing Assembly Bill 1314. Together, the Assembly and Senate efforts ensured financial aid expansion was at the forefront of budget conversations. The strong coalition of students, college leaders and educators, and advocates who came together to support Senate Bill 291 and Assembly Bill 1314 helped us achieve a record investment in the Cal Grant Program in the 2019-20 budget: over 15,000 new Competitive Cal Grants, increased financial aid for student parents, and summer Cal Grants.

The 2019-20 budget is a strong down payment for our students. Still, more work needs to be done. In June, Senator Leyva, Assemblymembers McCarty and Medina, and Chancellor Oakley issued a statement announcing that SB 291 and AB 1314 would become two-year bills, and that we would work collaboratively over fall recess toward a strategy that reflects three principles:

- Expands eligibility so that all students with financial need are eligible to receive financial aid at California's public postsecondary institutions, regardless of their age, time out of high school, or high school academic performance.
- Increases non-tuition awards above the current Cal Grant B Access Award amount, and linking a student's financial aid to the total cost of attendance, including housing and food, transportation, textbooks, and supplies.
- Ensures all students, whether they seek career education or a degree, are eligible to receive the financial aid they need to achieve their goals.

Our system remains committed to achieving these priorities. We look forward to working with the Legislature, the California Student Aid Commission, and students and stakeholders to establish a responsible funding plan that phases in resources to direct new dollars, first, to the students with the highest levels of unmet need. We would welcome the Little Hoover Commission's participation and support in this process.

Thank you again for the opportunity to speak to you today. I am happy to answer questions.