

## Cal Grant Equity Framework: The Urgent Need to Simplify and Expand State Financial Aid

In 2021, California's Legislature and Governor made a significant down payment to increase access to state financial aid for California Community College (CCC) students, providing 150,000 additional awards to community college students. However, the work to expand aid to California's lowest income students and ensure that the financial aid delivery process is easily navigated is far from over: students are still left to navigate a complex system of state aid eligibility that remains misaligned to federal aid standards. As [over 50% of students report losing some or all of their income as a result of the COVID-19 pandemic](#) amid a significant budget surplus, **the time is now to invest in our state's lowest income students and adopt the Cal Grant Equity Framework.**

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### What is the Cal Grant Equity Framework?

The student-centered proposals included in [Assembly Bill 1746](#) by Assemblymembers Medina and McCarty and Senator Leyva establish the Cal Grant Equity Framework – a roadmap for simplifying and strengthening the Cal Grant in 2022-23 and beyond to fuel an equitable economic recovery.

### Who would benefit from the Cal Grant Equity Framework?

Of the over 150,000 new students who would receive a Cal Grant under the Cal Grant Equity Framework—all of whom are low-income and eligible for aid but not receiving aid:

**95,000**  
are **Latinx**

**11,000**  
are **Black**

**92,000**  
are **women**

**18,000**  
are **Asian American,  
Native Hawaiian, and  
Pacific Islander (AANHPI)**

**3,000**  
are **CA Dream  
Act students**

### For students attending a four-year university under the Cal Grant Equity Framework:

- The average age of a grant recipient would rise from 20.8 to 22.5 – providing direct support to allow more adult learners to earn a college degree.
- More students attending the University of California (UC), California State University (CSU), or private, non-profit institutions would receive a Cal Grant – with over a 26% increase in awards provided to students attending a private non-profit institution.
- Over 32,000 CSU students would be newly eligible for a Cal Grant.

## The Cal Grant Equity Framework would:

- **SIMPLIFY the process by which students apply and qualify for state financial aid** by streamlining the eight current Cal Grant programs into two programs – Cal Grant 2 for community college students and the Cal Grant 4 for students at four-year colleges.
- **EXPAND FINANCIAL AID to over 150,000 additional students** above previous expansions to the Cal Grant, providing aid to students attending CCC, CSU, UC, and private, non-profit institutions to address non-tuition expenses, moving California closer to a debt-free college pathway.
- **COMMUNICATE a comprehensive snapshot of all federal and state financial aid available**, by aligning Cal Grant eligibility with the federal Pell Grant to enable earlier and clearer communication with students and families about how much aid they can expect to receive in grant aid.
- **REMOVE BARRIERS**, such as GPA verification, for students to get the aid they need to pursue their college and workforce training goals.

## Why is NOW the time to adopt the Cal Grant Equity Framework?



### STRATEGIC RE-ENROLLMENT WITH EQUITABLE ECONOMIC RECOVERY

As students, their families, and our state grapple with the impacts of COVID-19, a troubling trend has emerged: students across all higher education segments are putting their education on pause or withdrawing entirely. **California must commit to a strategic reenrollment strategy.** Students consistently indicate that financial aid is THE determining factor as to whether they will enroll in college or stay enrolled.



### ALIGNMENT WITH NEW HIGH SCHOOL POLICY TO IMPROVE FINANCIAL AID ACCESS

With mandatory FAFSA/CADAA completion for high school seniors taking effect, our lowest-income students no longer face an information gap to access financial aid, but a funding gap. **We must ensure that every low-income student who may be questioning the value of a college education has access to a Cal Grant to make those college aspirations feasible.**



### SIMPLIFICATION FOR A TRULY DEBT-FREE COLLEGE PATHWAY

**Students and their families deserve access to simplified, comprehensive information about available financial aid as they weigh the cost of college.** Solutions to address the total cost of college and expand available aid to students must be preceded by the simplification of the financial aid process. If financial aid is not simplified, we risk losing families as they try to navigate a convoluted financial aid ecosystem with multiple exit points.

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