

AB 1307 (Rubio) College Opportunity Act

Bill Summary

AB 1307 creates a Cal Grant award formula for students attending private, nonprofit colleges and universities – replacing the arbitrary manner in which the maximum award is currently set each year with an equitable and predictable award level for students and their families as they plan for college.

Background

The California Master Plan for Higher Education recognized the integral role of private/independent institutions of higher education in meeting California's educational needs, and declared the institutions must be included in planning for the state's demand for higher education. California's private nonprofit sector serves 354,000 students, including 22% of undergraduates and 53% of graduate students, and nearly half (48%) of the sector's Cal Grant recipients are Latino.

Since its inception, the Cal Grant Program has been a successful public-private partnership with private nonprofit colleges and universities. The Cal Grant Program provides academically deserving students the opportunity to attend college, who would otherwise not be able to attend. The program is intended to allow students to attend college where they are most likely to succeed, whether this is a private or a public university.

Though built on the pillars of providing access and choice for all Cal Grant recipients, since 2000 the Cal Grant award amount for students attending independent, nonprofit colleges and universities has not increased. Over this time period, the award's value has decreased by 46% due to inflation and cuts, effectively reducing the purchasing power for students at a time when our public universities do not have capacity to enroll every academically eligible California student.

State support for students to attend a private nonprofit actually saves the state money. In 2017-18 the average cost to the state for a Cal Grant student attending a private nonprofit university was \$8,524.

Accounting for all General Fund, lottery, and local property tax revenue, the state subsidy for a Cal Grant student at UC was approximately \$28,768 and \$15,245 at a CSU. Additionally, students at California accredited private nonprofit institutions have higher graduation rates than students at public institutions and are more likely to complete their degree in four years. 61% of Cal Grant students attending a nonprofit university graduate in four years, higher than the rates for Cal Grant students at either the UC or CSU.

In the absence of a Cal Grant formula for students attending independent nonprofit colleges and universities, students and their families lack predictability in the award level and it creates real challenges in deciding where to attend college.

This Bill

1. Links award amounts for students attending private nonprofit universities to a specified percentage of the average cost of educating a Cal Grant student attending the California State University
2. Creates the formula to calculate the award for a student attending a private university commencing with the 2020 – 2021 award year
3. Creates an equitable policy and restores much needed predictability for low-income California students and their parents.

Support

Association of Independent California Colleges and Universities (Sponsor)

For More Information

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