
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

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Bill No: SB 573 **Hearing Date:** April 19, 2017
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Urgency: No **Fiscal:** Yes
Consultant: Olgalilia Ramirez

Subject: Student financial aid: service learning programs

NOTE: This bill has been referred to the Committees on Education and *Judiciary*. A "do pass" motion should include referral to the Committee on *Judiciary*.

SUMMARY

This bill requires the Trustees of the California State University (CSU), the Board of Governors of the California Community Colleges (CCC) and requests the Regents of the University of California (UC) to develop and ensure that each of their respective campuses implements a service learning program for students with financial need who meet the requirements to qualify for the exemption from nonresident tuition established by AB 540 (Firebaugh, Chapter 814, Statutes of 2001).

BACKGROUND

Existing law:

- 1) Established by AB 540, (Firebaugh, Chapter 814, Statutes of 2001) and AB 2000 (Gomez, Chapter 675, Statutes of 2014) exempts specified California nonresidents from paying nonresident tuition at the University of California (UC), California State University (CSU), and the California Community Colleges (CCC) if they meet all of the following:
 - a. Satisfaction of either of the following:
 - i. High school attendance in California for three or more years.
 - ii. Attainment of credits earned in California for three or more years high school equivalent to three or more years of full-time high school coursework and a total of three or more years of attendance in California elementary schools, California secondary schools or a combination of those schools.
 - b. Graduated from a California high school or attained an equivalent degree.
 - c. Registered or attended an accredited California higher education institution, not before fall of the 2001-02 academic year.
 - d. Filed an affidavit, if an alien without lawful immigration status, stating that the student has filed an application to legalize their immigration status or

will file such an application as soon as they are eligible to so do.
(Education Code (EC) § 68130.5)

Students who meet the requirements to qualify for the exemption from nonresident tuition are commonly referred to as “AB 540 students”.

- 2) Provides that, beginning January 1, 2013, AB 540 students are eligible to apply for, and participate in, any student financial aid program administered by the State of California to the full extent permitted by federal law. The California Student Aid Commission (CSAC) is required to establish procedures and forms that enable AB 540 students to apply for, and participate in, all student financial aid programs administered by the State of California to the full extent permitted by federal law. Current law prohibits AB 540 students from being eligible for Competitive Cal Grant A and B Awards unless specified conditions are met. (EC § 69508.5)
- 3) Provides that a student attending the California State University (CSU), the California Community Colleges (CCC), or the University of California (UC) who is exempt from paying nonresident tuition under the provisions of AB 540 is eligible to receive a scholarship derived from non-state funds received, for the purpose of scholarships, by the segment at which he or she is a student. (EC § 66021.7)
- 4) Establishes the California DREAM Loan Program for purposes of extending loans to students who meet the requirements established by AB 540 and have financial need, and authorizes any campus of the UC and the CSU to participate. The law requires the state and UC and CSU to split the costs of launching the program. (EC § 70030-70039)
- 5) Requires the Trustees of the CSU and the Board of Governors of the CCC, and request the UC Regents, to establish procedures and forms that enable AB 540 students to apply for, and participate in, all student aid programs administered by these segments to the full extent permitted by federal law. (EC § 66021.6)
- 6) Establishes a California State Work Study Program to provide financially needy students with the opportunity to earn money to help defray educational costs while gaining experience in educationally beneficial or career-related employment. The program was administered by the California Student Aid Commission and was funded as a pilot program beginning in 1987. In 1998, the program was expanded to include the Teaching Intern Program, to make work-study funding available to offer tutoring in various outreach activities for pupils. The program has not been funded in recent years. (EC § 69950 – 69969.5)
- 7) Establishes the CCC CalWORKs Program which provides funds to CCCs to assist welfare recipient students and those in transition from welfare to achieve long-term economic self-sufficiency. The services provided through the program include child care, academic and personal counseling, work study, and job placement. Funds allocated for work study are required to be used for payments to employers participating in campus-based work study or are providing work experience directly related to the educational programs. (EC § 79200 – 79209)

- 8) Under Federal law, establishes the Federal Work Study (FWS) Program which provides funds for part-time employment to help needy students finance higher education. Students can receive FWS funds at 3,400 participating postsecondary institutions at hourly wages of at least the federal minimum wage. Participating institutions must apply annually to the US Department of Education (USDE) to participate. Using a statutory formula, USDE allocates funds based on prior year funding levels and the aggregate need of prior year eligible students. Generally, the school or employer pays up to 50 percent share of the student's wages. Institutions must use at least 7 percent of their FWS allocation to support students working in community service jobs. Students apply for FWS assistance through the Free Application for Federal Student Aid (FAFSA). (Higher Education Act of 1965, Title IV, Part C; 42 U. S. C. 2751-2756b)
- 9) Federal immigration law prohibits an undocumented immigrant from being eligible for postsecondary education benefits on the basis of residence within a State if those benefits are not available to citizens or nationals of the United States who are nonresidents of that State. (Illegal Immigration Reform and Immigrant Responsibility Act of 1996, Title 8, Chapter 14, Section 1623(a)).

ANALYSIS

This bill requires the Trustees of the California State University (CSU), the Board of Governors of the California Community Colleges (CCC) and requests the Regents of the University of California (UC) to develop and ensure that each of their respective campuses implements a service learning program for students with financial need who meet the requirements to qualify for the exemption from nonresident tuition established by AB 540 (Firebaugh, Chapter 814, Statutes of 2001). Specifically, it:

- 1) Provides that a service learning program may be offered to complement existing federal and state financial aid awards.
- 2) Requires a service learning program to do all of the following:
 - a) Identify opportunities for each student participating in the program to provide volunteer service hours while learning new skills and experiences that supplement his or her academic learning.
 - b) Be established and administered as part of the campus's existing financial aid structure and services.
 - c) Offered, as part of an existing financial aid award of the campus or the segment, grants, fee waivers, or reimbursements to an eligible student for his or her educational expenses.
- 3) Limits participation to a student with financial need who is exempt from paying nonresident tuition under the provisions established by AB 540 regardless of that student's immigration status.
- 4) Authorizes a service learning program to supplement or supplant existing state work-study programs as deemed appropriate by the UC, CSU, or CCC.

- 5) Requires the California State University (CSU) Trustees, California Community Colleges (CCC) Board of Governors and request the University of California (UC) Regents to adopt, as necessary, application procedures, forms, additional application criteria, administrative guidelines, and other requirements for the development and implementation of a service learning program.
- 6) Establishes that personal information of a student collected or obtained for the service learning program is not a public record for purposes of the California Public Records Act and can only be collected, used and retained to administer the program and would prohibit disclosure of the personal information to any other person, except as provided. This bill allows disclosure of aggregated data that does not reveal personal identifying information about the student.
- 7) States legislative findings and declarations demonstrating that the interest protected by the limitation described in 6) above and the need for protecting that interest.
- 8) Defines various terms for the purpose of this bill.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, the state has demonstrated a willingness to invest in undocumented students by qualifying them for Cal Grants and loans. However, many of these students while eligible for state aid are unable to access federal assistance and continue to face barriers to their education. The author asserts, while the Deferred Action for Childhood Arrivals (DACA) program created under the Obama administration in 2012 provided students the ability to apply for work permits, it does not benefit all undocumented students and the future of the DACA program remains uncertain under the current administration.

This bill seeks to establish a new pathway for the delivery of grants, fee waivers or scholarships through service learning agreements with AB 540 students who provide volunteer hours while acquiring new skills to enhance their education.

- 2) ***How would it work?*** The bill's provisions do not require establishment a new grant program, rather it attempts to establish a new opportunity for AB 540 students to receive financial assistance to cover educational expenses. A campus could offer grants, fee waivers, or reimbursements within its existing financial aid resources and in exchange a participating student would volunteer service hours. These services hours are intended to supplement a student's academic learning. The bill appears to mirror existing work-study programs offered to other students.

Staff notes that the bill provides institutions with authority to establish application procedures, forms, additional application criteria, administrative guidelines, and other requirements for the development and implementation of a service learning program. Moving forward, the author may wish to consider establishing minimum requirements requiring that; a) students are ineligible for work-study programs; b) students be undergraduate students and making satisfactory academic progress;

and, c) make timely application for financial aid using the application established by the California Student Aid Commission known as the Dream Act Application.

- 3) ***Difference between DACA and AB 540 students?*** Depending on the institution, it appears that some students with Deferred Action for Childhood Arrivals (DACA) status do participate in state work-study programs. As noted by in comment #1, not all AB 540 students are eligible for DACA status. State law established by AB 540, exempts certain students who meet the eligibility requirements noted in the background of this analysis from paying nonresident tuition. Students who meet the exemption requirements may apply for state-administered financial aid such as grants and fee waivers. In contrast, DACA is a federal process that defers removal action of an individual for a specified numbers year. Specifically it allows people who came to the United States as children and meet several guidelines to request consideration of deferred action for a period of two years, subject to renewal. It also allows those who are eligible to have work authorization. A person can be eligible for both the exemption established by AB 540 and DACA status or just either one (i.e. AB 540 students with DACA status, AB 540 only or DACA only). Participation in the proposed service learning program, is contingent on AB 540 eligibility and it appears that an AB 540 student with or without DACA status may participate.
- 4) ***Amendment.*** This bill authorizes a service learning program to supplement or supplant existing state work-study programs as deemed appropriate by the University of California (UC), California State University (CSU), or California Community Colleges (CCC). Supplanting a program may have the effect of replacing an existing program with proposed service learning program thereby making non-AB 540 students ineligible. The author has agreed to accept the following amendment to be adopted when this bill is heard by the Judiciary committee:
- Authorizes a service learning program to supplement or ~~supplant~~ *be a component of an* existing state work-study programs as deemed appropriate by the UC, CSU, or CCC.

SUPPORT

None received.

OPPOSITION

None received.

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