



SENATOR JIM BEALL

SB 150 Improving Chafee Grant Administration

ISSUE

The Chafee Education and Training Voucher (Chafee ETV) is administered by the California Student Aid Commission and provides critical financial assistance for current and former foster youth attending college. Several issues with the administration of the award prevent many eligible students from receiving their awards in a timely fashion or even at all. The state's current award process is cumbersome, and delays leave many students without their award until late in the school year. Additionally, the state's current award process adds requirements for meeting Satisfactory Academic Progress (SAP) benchmarks that are not required by federal law and that do not appropriately account for the unique circumstances of foster youth.

BACKGROUND

Congress established the Chafee ETV in 2002 in recognition that the rate of college degree attainment for foster youth is far below that of the general population. By age 26, just four percent of foster youth hold a bachelor's degree or higher as compared to 26 percent of the same-age general population. The Chafee ETV is the only form of financial aid specifically created for current and former foster youth and, unlike many other forms of financial aid, may be used to pay for the cost of living rather than limited to tuition and fees.

Current or former foster youth qualify for the Chafee ETV if they are under age 26 and were in foster care (i.e. in out-of-home placement) at any time between the ages of 16 and 18. The maximum grant is \$5,000 per academic year; in the 2017-18 academic year the average grant amount was \$3750.

Over-Award

Under the state's current award process, over half of foster youth who are awarded a Chafee grant are ultimately determined to be ineligible, primarily because these students do not end up enrolling in college. The California Student Aid Commission (CSAC) must then

repackage funds to make awards to additional students. This can be a time-consuming process and as a result, students who are awarded later in the cycle often receive their funds late in the academic year. This can create a burden on foster youth who depend on Chafee ETV funds to cover expenses like rent and textbooks, which cannot be delayed.

A similar challenge with the State's Competitive Cal Grant program has been successfully addressed by CSAC through a process known as "over-awarding." In recent years the legislature authorized CSAC to make a greater number of awards than were budgeted for during the first award cycle, knowing that ultimately not all students would claim their award. The result has been a speedier disbursement of the available funds with an increase in the number of awards made to eligible students.

Satisfactory Academic Progress (SAP)

When a student fails to meet SAP requirements, which are defined by federal law and by their individual campus, the student loses most types of financial aid, such as federal Pell Grant funding and federal work-study employment. For many students, this sudden loss of income puts them in poverty and at-risk for experiencing homelessness. For current and former foster youth, who lack an extended family to provide material support, this is certainly the case. In addition, students who are returning to school, after failing to meet SAP in a previous term of enrollment, often cannot access financial aid until they reestablish SAP. This poses a significant barrier to foster youth reenrolling in college as older youth.

THIS BILL

SB 150 will authorize CSAC to award up to 200% of the Chafee ETV allocation amount during the first award cycle, allowing a greater number of students to receive funds at the beginning of the school year, when funds are needed the most. The bill protects the State against potential budget overages by stipulating that CSAC deduct any spending overages from the program allocation in the following year, in the event that it over-awards.

The bill will also replace the Chafee ETV's existing SAP requirement with more flexible standards and require each school to offer an appeals process to account for the unique circumstances of foster youth.

SUPPORT

John Burton Advocates for Youth (Sponsor)
Los Angeles Area Chamber of Commerce (Sponsor)

FOR MORE INFORMATION

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