Analysis of the 2021 Early Action Package

SUMMARY

The Governor's Budget included a proposal for an Early Action Package to provide targeted one-time investments this spring to assist populations affected by the COVID-19 pandemic and its associated economic challenges.

Governor Gavin Newsom, Senate President pro Tempore Toni G. Atkins and Assembly Speaker Anthony Rendon announced they reached an agreement on a comprehensive package of immediate actions. Legislation, Senate Bill 85, related to this proposal was released on February 18, 2021. For the California Community Colleges, the package includes:

- $100 million to provide emergency financial assistance to low-income students;
- $20 million to support retention and re-enrollment strategies for former, current, or prospective students in the context of COVID-19 impacts; and
- $3.1 million for financial aid administration.

BILL DETAILS

Emergency Grants

A total of $100 million for emergency grants would be allocated to districts based on the headcount number of students who received a fee waiver, as well as the number who meet the requirements for resident status and the income criteria applicable to the California Dream Act application. The criteria for students to be eligible for emergency grants are slightly different than those stipulated in the 2021-22 budget trailer bill related to the $150 million proposed for this purpose which would require self-certification of full-time enrollment or full-time employment to qualify. Changes are likely related to system and stakeholder feedback about better targeting the funds to students with the greatest financial need.

Specifically, for emergency grants provided as part of the Early Action Package, students would have to self-certify that they:

- Are currently enrolled in at least 6 semester units. First-time community college students this term and noncredit adult ed students enrolled at least half-time may be eligible for these funds;

- Can demonstrate an emergency financial aid need, including loss of employment, and that they either currently qualify for a fee waiver or would qualify in the upcoming semester or quarter; and
- Either earned a GPA of at least 2.0 in one of their previous three terms or are a disabled student receiving DSPS services.

Only to the extent that information is readily available, districts would have to verify that students meet these conditions when providing an emergency grant.

Retention and Enrollment Outreach Support
The agreement includes $20 million to support efforts to increase student retention and enrollment is primarily aimed at engaging with former students who may have withdrawn or current and prospective students who may be hesitant to remain or enroll due to the impacts of COVID-19. Of the funds, 10% will be used to support statewide recruitment and retention efforts.

CalFresh Outreach
Finally, $3.1 million would be allocated to districts by the Chancellor's Office to increase student applications for CalFresh benefits. Funds could be used to create outreach materials, host events, support equipment needs, and support application assistance, including hiring staff and student workers to assist students in applying for the program and understanding how to use the benefits. The Chancellor's Office would have to report back to the Legislature by December 1, 2021 on how the funds were distributed and used, and how many students applied for CalFresh as a result.

Next Steps
Final approval of the Early Action Package is expected the week of February 22. Following approval by the Legislature and a signature from the Governor, the Chancellor's Office will work with the State Controller's Office to release resources immediately. Conversations and hearings will still continue around the 2021-22 state spending plan.

For more information throughout the budget process, please visit the Budget News section of the Chancellor's Office website:
https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/Budget-News