



Senator Josh Becker, 13th Senate District

SB 893 – Financial Assistance for Community College Students in Need *Local Funding Flexibility for San Mateo County Community College District*

IN BRIEF

SB 893 provides greater flexibility to the San Mateo County Community College District (SMCCCD) to use their existing local revenues to reduce costs for students furthering their education.

BACKGROUND

The total cost of enrollment – including tuition, fees, books, technology, transportation, food, rent and other living expenses – can exceed \$15,000 per year for community college students.

The SMCCCD Promise Scholars Program supports students through the completion of their post-secondary pathways. The program provides students with multi-year tuition support, individualized counseling support, textbook vouchers, and food and transportation incentives through the completion of their degree or certificate.

THE PROBLEM

Though San Mateo County as a whole is economically prosperous in comparison to other areas of the state, there are still significant socioeconomic and educational gaps within the county. For example, the Promise Scholars program (SMCCCD's version of the CA Promise Program) has a demand that outpaces the allowable funding received through AB19 and SMCCCD's limited non-general fund dollars.

California law currently prevents local community college districts from using their various local revenues to offset tuition and expenses for students. For example, SMCCCD can only fund 2,000 of the 6,000 eligible students for its Promise Scholars Program even though they have the local revenue to provide financial assistance for all eligible students.

Without the flexibility to use local funds, SMCCCD is unable to supplement the Promise Scholars program in its goal of making meaningful headway in supporting underserved communities and creating life-changing impacts on students.

THE SOLUTION

To reduce this cost barrier for students, SMCCCD is seeking (1) greater flexibility in the requirement to collect fees, and (2) the ability to use local funds (unrestricted general fund) to provide direct support to students. Unrestricted Funds may be used for any lawful purpose and are not restricted by any exterior funding source. However,

since they are public funds, they cannot be used as a gift to employees, students, or the public.

With SB 893, SMCCCD would be permitted to waive (or charge fewer) fees and use its local funds to provide for the total cost of attendance. This permissibility would also reconcile any concerns relating to potential gift of public funds. SB 893 does not increase any state funding for SMCCCD or commit the state to allocate any additional resources to SMCCCD. Importantly, the bill explicitly places the burden of using the allowable flexibility on SMCCCD and further requires the board of trustees to adopt appropriate and necessary policies relating to qualifications for students who would be eligible for reduced fees.

SB 893 benefits the students, the district, and the state. By allowing SMCCCD to use local funds to support students' basic needs and to have the flexibility to charge less than the currently required state fee rate of \$46 per credit unit (including charging \$0), SMCCCD can make attending college less financially burdensome for students in need of assistance. Further, by permitting SMCCCD to supplement the California Promise Program with local funds, the bill will increase the number of students eligible to participate in the program without any additional cost to the state.

Requirements and safeguards in the bill include:

- The SMCCCD Board must establish a framework to determine eligibility and students must demonstrate financial need.
- Students must reside in San Mateo County to prevent competition with neighboring districts.
- SMCCCD must publicly provide financial impact information showing that they have the funds to reduce fees for additional students and the District is prohibited from receiving reimbursement from the state.

SB 893's flexibility to use unrestricted general fund dollars to support students will have significant impacts throughout the community and will allow the district to bridge inequities throughout San Mateo County by making college more accessible and affordable for students, particularly those in marginalized and underrepresented communities.

SUPPORT

San Mateo County Community College District (sponsor)

FOR MORE INFORMATION

Samantha James, *Fellow*

Email: Samantha.james@sen.ca.gov

Phone: (916) 651-4013