January 14, 2022

The Honorable Nancy Skinner  
Chair, Senate Budget Committee  
1021 O Street, Room 8630  
Sacramento, CA 95814

The Honorable Phil Ting  
Chair, Assembly Budget Committee  
1021 O Street, Room 8230  
Sacramento, CA 95814

The Honorable Jim Nielsen  
Vice Chair, Senate Budget Committee  
1021 O Street, Room 7110  
Sacramento, CA 95814

The Honorable Vince Fong  
Vice Chair, Assembly Budget Committee  
1021 O Street, Room 4630  
Sacramento, CA 95814

The Honorable John Laird  
Chair, Senate Budget Subcommittee #1  
1021 O Street, Room 8720  
Sacramento, CA 95814

The Honorable Kevin McCarty  
Chair, Assembly Budget Subcommittee #2  
1021 O Street, Room 4250  
Sacramento, CA 95814

Subject: AICCU 2022 Budget Priorities

Dear Esteemed Members of the Legislature:

On behalf of the Association of Independent California Colleges and Universities (AICCU) and the 80+ nonprofit colleges and universities in our membership, thank you for your ongoing leadership in guiding the state through an extraordinary time. The $286.4 billion budget plan outlined by Governor Gavin Newsom this week touches on all aspects of our lives: healthcare, housing, homelessness, pre-kindergarten, climate change, and more. Our institutions serve more than 180,000 undergraduates, 76% of whom call California home, and these investments, either directly or indirectly, will certainly impact their lives and the lives of their family, friends, and communities.

In his budget, the governor proposed a 70% degree attainment goal for the state, and his investments in our public higher education partners support that effort. As a member of the Governor’s Council for Post-Secondary Education, I can attest firsthand to the need for and value of such a goal, and I look forward to the work ahead. Our sector educates 20% of all undergraduates in the state. If we are to reach that goal, the state and Legislature must not overlook the role of the independent nonprofit colleges and universities in the state. Just as we would not expect students to solve a complex math problem or puzzle without 20% of the data, policymakers should look to make strategic, targeted investments in the students at our institutions to support their persistence and degree completion.
As the Legislature deliberates their budget priorities, we encourage you to consider investments in the following strategies that better promote regional college access, persistence, equity and success:

- **Provide an increase award amount for the 28,000+ Cal Grant students attending an AICCU institution.** Last year’s final budget made significant investments in numerous programs and services, including a $5.4 million investment to increase the maximum Cal Grant award amount for the 28,000+ students attending our colleges and universities, from $9,084 to $9,220. This modest investment begins the restoration of the purchasing power of the award, which has decreased over the years since 2001, when it was $9,708. We thank you for last year’s investment and urge you to make another one this year to continue restoring financial support for students that has eroded over the past two decades.

- **Extend supplemental Cal Grant support for foster youth and students with dependent children to those attending an independent nonprofit college or university.** Over the past two years, the state has created $6,000 supplemental Cal Grant awards for these students; however, that eligibility is currently limited to such students attending a University of California, California State University, or California Community College. Extending this support to these students who choose to attend a nonprofit higher education institution will further simplify Cal Grant eligibility and promote greater equity in access to this financial support for students.

- **Improve regional transfer for low-income students by extending transfer entitlement portability for community college transfer students to those transferring to an independent nonprofit college or university.** Last year’s budget eliminated age and time out of high school restrictions for community college students to access a Cal Grant award. This dramatically expanded access to Cal Grants for tens of thousands of additional community college students. However, the portability of their remaining eligibility upon transfer to a four-year university was limited to a UC or CSU, meaning that those who transfer to an ICCU will not be guaranteed a Cal Grant. As we know, both the UC and CSU continue to experience impaction and capacity issues, meaning that regional opportunities are not guaranteed. The existing framework of this program creates financial barriers for low-income students to explore other local transfer options.

In addition to these specific proposals to invest in the students we serve, AICCU supports several proposals within the governor’s higher education package, including:

- **$1.7 billion in funds over three years to address healthcare workforce challenges.** As outlined in our 2022 Impact Report, our sector is a leader in preparing the healthcare workforce, collectively preparing 51% of nursing degrees and 94% of clinical, counseling, and applied psychology degrees.

- **$10 million to create and implement additional Integrated Teacher Educator Programs (ITEPs) at public and private universities.** The independent sector is the state’s leading
producer of new teacher credential holders, preparing 45% of the new teacher workforce last year. ITEPs offer pathways for students to earn a bachelor’s degree and credential in four years, providing streamlined, time-saving pathways for students who want to go into teaching. Thirteen AICCU institutions have already created and implemented ITEPs as part of the pilot program over the last several years and support the expansion of these models moving forward.

- Modifications of the Cal Grant B Service Incentive Grant program to increase participant stipends. This state program provides a work-study equivalent for undocumented students, ensuring they have access to paid work as part of their financial aid package.

- Develop additional Associate Degree for Transfer (ADT) pathways in the fields of educator, healthcare, technology, social work, and climate change. AICCU supports the ADT pathway as a quality transfer pathway for students. Nearly 40 AICCU institutions have articulated existing ADT pathways over the last several years and believe that students and the state stand to benefit from the proposed expansion into these other fields.

Thank you again for your consideration of these requests. We look forward to working with Governor Newsom, the Department of Finance, and the Legislature on addressing issues of college access, equity, and success.

Sincerely,

Kristen F. Soares
President

CC: Anthony Rendon, Speaker of the California State Assembly
    Marie Waldron, Assembly Republican Leader
    Toni Atkins, Pro Tempore of the California State Senate
    Scott Wilk, Senate Republican Leader