

Date of Hearing: June 25, 2024

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

SB 1322 (Wahab) – As Amended May 16, 2024

SENATE VOTE: 38-0

SUBJECT: Foster youth: Chafee Educational and Training Vouchers Program

SUMMARY: Expands the eligibility for the Chafee Educational and Training Vouchers Program (Chafee) grant to include foster youth who were in care between 15 and 18 years of age, instead of between 16 and 18 years of age. Specifically, **this bill:**

- 1) Expands the conditions under which the California Student Commission (CSAC), commencing with the 2025–26 award year, will make a Chafee grant award available to a student under 26 years of age who is attending either a qualifying institution that is eligible for Cal Grant, or an institution outside of California that meets specified requirements related to graduation rates, to include the following:
 - a) The youth is or was a dependent or ward of the court, living in foster care, between 15 and 18 years of age;
 - b) The youth exited foster care to the Kinship Guardianship Assistance Payment (Kin-GAP) Program, a nonrelated legal guardianship, or adoption, between 15 and 18 years of age; or,
 - c) The youth was placed in out-of-home care by a tribe or tribal organization between 15 and 18 years of age.
- 2) Makes technical changes.

EXISTING LAW:

State law:

- 1) Establishes a state and local system of child welfare services, including foster care, for children who have been adjudged by the court to be at risk of abuse and neglect or to have been abused or neglected, as specified. (Welfare and Institutions Code [WIC] § 202)
- 2) Establishes the Kin-GAP program as state-funded aid provided on behalf of children in kinship care who are not eligible for federally funded Kin-GAP to ensure that wards and dependent children of the juvenile court whose placement in the home of an approved relative are equally eligible for the benefits derived from legal permanency with the related guardian and that the state can maximize improvements to federal permanency outcome measures by exiting non-federally eligible youth to the state's subsidized kinship guardianship program. (WIC § 11360 *et seq.*)
- 3) Establishes CSAC for the purpose of administering specified student financial aid programs. (Education Code [EDC] § 69510 *et seq.*)

- 4) Requires CSAC, through an interagency agreement with the California Department of Social Services (CDSS), to operate a federally funded scholarship program that provides grant aid to provide access to California's current and former foster youth to postsecondary education. Requires funds provided through an appropriation to be supplemental to funds provided by the federal government. Requires CDSS to opt in, as necessary, to expand program age eligibility of former foster youth up to 26 years of age, pursuant to federal guidelines. (EDC § 69519(a))
- 5) Requires funds to be used to assist students who are current and former foster youth, for career and technical training or traditional college courses. (EDC § 69519(b))
- 6) Specifies that the total amount of funding and the amount of individual awards depend upon the amount of federal funding provided in addition to state funding. Requires CSAC, in conjunction with CDSS, to determine the individual award amounts and total number of students awarded on an annual basis as the amount of total annual funding is determined. (EDC § 69519(c))
- 7) Authorizes, commencing with the 2021–22 award year, CSAC to make initial award offers totaling up to 200% of the total state and federal program funding available for all awards. Requires each year, CSAC, in conjunction with CDSS, to determine the number of initial awards offered, based on the historical acceptance rate of initial awards and the size of awards, so not to exceed the total amount of available funding for the full award cycle. Requires CSAC to make an award offer contingent upon available funding, and is permitted to adjust or withdraw an award offer before payment to ensure that total award payments do not exceed the total amount of available funding for the award cycle. Requires CSAC to inform each recipient of an award offer that the offer may be withdrawn or adjusted before payment and that an award is payable to an eligible student only to the extent that funding is available. (EDC § 69519(d))
- 8) Requires CSAC, commencing with the 2018-19 award year, and contingent upon an appropriation of sufficient funds in the annual Budget Act, to make a new Chafee grant award to a student only if the student will not be 26 years of age or older by July 1 of the award year and the student attends specified qualifying institutions. (EDC § 69519(f)(1)).

Federal law:

- 9) Establishes the federal John H. Chafee Foster Care Independence Program to provide, among other benefits, education and training vouchers to qualifying current and former foster youth. (United States Code Title 42, § 677)

FISCAL EFFECT: According to the Senate Appropriations Committee on May 16, 2024, while the bill's provisions would be contingent upon an appropriation, it could result in additional General Fund cost pressure in the low millions of dollars each year to lower the age of eligible foster youth under the program.

COMMENTS:

Background: *Chafee Grant.* The Chafee grant is a federal and state-funded grant subject to yearly availability of funds that provides up to \$5,000 in grants to individual foster youth. Current or former foster youth living in California qualify for the Chafee Grant if they are under

22 years of age and were wards of the court and living in foster care for at least one day between 16 and 18 years of age. According to the Legislative Analyst's Office, about 4,200 students—including roughly half of Cal Grant recipients who are foster youth—receive a Chafee grant each year. According to CSAC, in the 2022-23 award year, CSAC provided 4,330 Chafee awards to eligible students. The average award amount was \$3,593. In addition to traditional financial aid, many campuses also have broader student support programs for foster youth that include financial support. For example, the 2022-23 California budget included a significant expansion of funding for the NextUp program that has allowed every college in the state to receive an allocation of funds. NextUp provides book and supply grants, academic counseling, tutoring, and other support to foster youth.

As a result of the passage of SB 967 (Berryhill), Chapter 688, Statutes of 2018, a campus of the University of California or the California State University are prohibited from charging mandatory tuition and fees to an undergraduate student who is a current or former foster youth. To qualify for the waiver, a student is required to complete and submit the Free Application for Student Aid (FAFSA) as well as be an undergraduate in good academic standing who meets income requirements established for Cal Grant A. The FAFSA is used to apply for most state, federal, and institutional aid programs. Additionally, a student is required to have been in foster care for at least 12 months after reaching 10 years of age and be under 25 years of age.

Existing law requires CDSS to opt in, as necessary, to expand program age eligibility of former foster youth up to 26 years of age pursuant to federal program guidelines, however the age eligibility for the Chafee grant in California has been restricted to those who were in care at any point between the ages of 16 and 18 years of age due to limits on funding. *This bill* extends the pool of eligible applicants for the Chafee grant to now include those who were in care at 15 years of age, but does not add to the available funding. Payments are made on a first-come, first-served basis.

Foster Youth and Educational Outcomes. Foster youth often face additional obstacles compared to their non-foster youth peers and as a result, do not obtain college degrees at the same rate. According to the John Burton Advocates for Youth, just 4% of former foster youth obtain a bachelor's degree by 26 years of age. This compares to a 50% completion rate for their non-foster youth peers.

The lower rate of college graduation among young adults who age out of foster care reflects a combination of factors, according to 2009 policy research from Chapin Hall at the University of Chicago. First, foster youth are less likely to attend college than other young adults. According to their findings, “when foster youth are able to pursue postsecondary education, they are less likely to persist toward the completion of a degree” and “unlike many of their peers, most foster youth cannot depend on their parents or other family members to help them pay for college.”

Among the barriers facing current and former foster youth in California are housing and employment challenges, compounded by the difficulty of meeting basic needs while juggling school without a traditional family to rely on.

Author's Statement: According to the Author, “[This bill] addresses the limitation of the current age restriction in the California Chafee Education and Training Voucher program, which only supports foster youth who were in care between ages 16-18. This exclusion prevents those in care before age 16 from receiving essential financial aid for education and training. [This bill] lowers the eligibility age from 16 to 15. This change ensures more foster youth can access up to

\$5,000 annually for educational pursuits, promoting higher retention and graduation rates. Moreover, it encourages caregivers to seek legal permanence sooner, fostering more stable and supportive home environments for foster youth.”

Equity Implications: California’s policymakers, program administrators, and youth advocates have long taken a particular interest in supporting transitions to postsecondary education and success for youth aging out of foster care. Programs to support foster youth in postsecondary education were in place at many two and four-year colleges and universities in California long before AB 12 (Beall), Chapter 559, Statutes of 2010, enacted extended foster care in the state. These campus support programs also encourage the development of connections between the child welfare system and postsecondary educational institutions that support the efforts for foster youth to apply to college.

Research has indicated that extended care may help youth enroll in college by reducing the pressure to meet one’s basic living needs (e.g., housing), reducing the need to work, and by helping with parenting responsibilities. However, once in college, foster youth may find themselves academically unprepared to complete their degree or certificate, or may run into other obstacles. This calls for redoubled efforts to support foster youth after they make it to postsecondary education and to rigorously evaluate the college support programs that have been created in recent years, including the many programs in California (Dworsky, Smithgall, & Courtney, 2014). The need for additional support may be particularly important for the majority of college-bound foster youth who enroll in two-year colleges, which tend to have less robust campus cultures and guided pathways to earn a credential, and where dropout rates are higher than in 4-year colleges (Bailey, Jaggars, & Jenkins, 2015).

According to a March 2013 report by the Stuart Foundation entitled “*At Greater Risk: California Foster Youth and the Path from High School to College*,” of the sample group studied, approximately 45% of foster youth completed high school compared to general population students who completed high school at almost twice that rate (79%). Approximately 43% of foster youth enrolled in community college, and of those, only 42% enrolled in a second year of community college. Foster youth are also more likely than the general student population to come from a low-income household and lack financial support from family for college. According to the report by California College Pathways, research demonstrates that foster youth who receive financial aid are more than 40% more likely to accrue 15 or more credits in one year compared to those who do not receive financial aid. However, there are several options available to assist foster youth who face financial barriers to college access. Cal State East Bay automatically provides priority housing placement for Chafee grant recipients and their program coordinator generates a list of students from the university application and the list of Chafee grant recipients to ensure that these students are given priority for housing placement.

Double referral: This bill was previously heard in the Assembly Higher Education Committee on June 18, 2024, and was approved on a 8-0 vote.

RELATED AND PRIOR LEGISLATION:

SB 150 (Beall), Chapter 525, Statutes of 2019, relaxed the Satisfactory Academic Progress requirements for foster youth who qualify for Chafee grants.

SB 967 (Berryhill), Chapter 688, Statutes of 2018, see comments above.

AB 1567 (Holden), Chapter 763, Statutes of 2017, required CDSS and county welfare departments to share relevant information regarding foster youth at a California State Universities and California Community Colleges.

SB 12 (Beall), Chapter 722, Statutes of 2017, required CSAC to develop an automated system to verify a student's status as a foster youth to aid in the processing of applications for federal financial aid and required the provision of support to foster youth to apply for college and financial aid, among other provisions.

AB 12 (Beall), Chapter 559, Statutes of 2010, see comments above.

REGISTERED SUPPORT / OPPOSITION:

Support

Alameda County Board of Supervisors (Sponsor)
Alameda County Office of Education
Alliance for Children's Rights
California Alliance of Caregivers
California State Association of Counties
Chief Probation Officers' of California (CPOC)
Children Now
County Welfare Directors Association of California
First Place for Youth
Los Angeles County Office of Education

Opposition

None on file.

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