[Supporting California State Assembly Bill No. 288 (Calderon) - Scholarship Displacement]

Resolution supporting California State Assembly Bill No. 288 (AB 288), introduced by Assembly Members Lisa Calderon (D-25) and Mia Bonta (D-18) on January 21, 2021; AB 288 would prohibit the displacement of financial aid awards due to receipt of private scholarships of students who are eligible for the: 1) Federal Pell Grant and/or 2) California Dream Act financial aid at both public and private of higher education in the State of California.

WHEREAS, Postsecondary education is a critical factor in promoting upward economic mobility, especially for poor and low-income individuals; and

WHEREAS, While college enrollment has increased exponentially in the last several decades, the enrollment and graduation rates of poor and low-income students remain significantly behind those of their middle- and upper-income peers; and

WHEREAS, Experts resoundingly agree that California has a college affordability problem, despite the state having long prioritized keeping tuition low or even free; and

WHEREAS, Affordability challenges contribute to inequities in college enrollment, completion, and student debt burdens, with low-income and minority students less likely to enroll in or complete college, and more likely to have borrowed for college; and

WHEREAS, Of California's students pursuing bachelor's degrees and with family incomes of less than \$50,000, 95% have unmet need even when packaged with self-help, and without self-help, 97% have unmet need, thereby requiring students to come up with additional money that may be covered by a private scholarship; and

WHEREAS, Private scholarships assist students in covering non-tuition costs, which are significant and often uncovered by the Cal Grant program; and

WHEREAS, The City and County of San Francisco created the pioneering Kindergarten to College (K2C) child savings account program to orient students and families toward college and address inequities in postsecondary access and success – with the first K2C class poised to graduate from high school in 2023; and

WHEREAS, Mayor London Breed's Bridge to Excellence Program provides scholarships to highly-motivated graduating high school seniors from low-income and under-resourced communities to help overcome financial barriers they face attending college; and

WHEREAS, Scholarship displacement is a practice where colleges and universities displace previously awarded financial aid when a student is awarded a private scholarship, effectively reducing the amount of financial aid awarded and resulting in a zero net gain for the student - a practice that many students are not aware of and don't realize will impact them when they receive an external private scholarship; and

WHEREAS, AB 288, known as the California Ban on Scholarship Displacement Act, aims to ensure that private scholarships supplement, and do not supplant, gift aid, grants, scholarships, tuition waivers, and fellowship stipends provided by institutions of higher education to students who have financial need and are eligible for the federal Pell Grant and/or California Dream Act financial aid; and

WHEREAS, Prohibiting the practice of scholarship displacement is essential to make college more affordable, especially in light of the COVID-19 pandemic, as public and private resources become even more limited for low-income students; now, therefore, be it

RESOLVED, That the City and County of San Francisco supports Assembly Bill No. 288 that would prohibit the displacement of financial aid awards due to receipt of private scholarships of students who are eligible for the Federal Pell Grant and/or California Dream Act financial aid at both public and private of higher education in the state of California; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors supports

Assembly Bill No. 288, the California Ban on Scholarship Displacement Act; and, be it

FURTHER RESOLVED, That the Clerk of the Board of Supervisors of the City and

County of San Francisco transmit a copy of this Resolution to San Francisco's State

Legislative Delegation, City and County of San Francisco State Lobbyist, California Governor

Gavin Newsom and the Bill's primary sponsors Assembly Members Lisa Calderon and Mia

Bonta.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

220628

Date Passed: May 24, 2022

Resolution supporting California State Assembly Bill No. 288 (AB 288), introduced by Assembly Members Lisa Calderon (D-25) and Mia Bonta (D-18) on January 21, 2021; AB 288 would prohibit the displacement of financial aid awards due to receipt of private scholarships of students who are eligible for the: 1) Federal Pell Grant and/or 2) California Dream Act financial aid at both public and private of higher education in the State of California.

May 24, 2022 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 220628

I hereby certify that the foregoing Resolution was ADOPTED on 5/24/2022 by the Board of Supervisors of the City and County of San Francisco.

Clerk of the Board

Unsigned London N. Breed Mayor

6/3/22

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Clerk of the Board