

financial aid—and how much each student will receive. There are currently three kinds of state financial aid via Cal Grants: A, B and C, of which eligibility is determined by the FAFSA or California Dream Act Application, a student’s verified Cal Grant GPA, the type of California colleges a student listed on their FAFSA, and whether the student is a recent high school graduate. Students are considered for a Cal Grant A, B, or C award after they either establish eligibility for an entitlement award (if they graduated from high school less than one year ago or transferred from a community college before age 28) or secure one of a limited number of competitive awards (for any students that do not qualify for an entitlement). The FAFSA is the form students need to complete in order to receive any financial aid from the federal government to help pay for college.

The United States Department of Education (USDOE) administers FAFSA, but it is unclear if current proposals at the federal level to abolish USDOE, successful or not, will impact administration of FAFSA in the future and lead to delays. Thus far, both the 2024-25 and 2025-26 academic year FAFSA form application timelines were delayed by USDOE.

Current Extension Authority. While the California Student Aid Commission, which administers Cal Grants, may grant up to an additional 30 calendar days when “qualifying events”, such as a natural disaster or Governor’s declaration of a State of Emergency, occur and either the superintendent of a school district or community college district or the president or chancellor of a California institution of higher education formally request a postponement, the extension applies to filing the application for financial aid, not disbursement of financial aid awards and is not applied statewide. This bill requires a college or university to extend enrollment and financial deadlines for a student whose financial aid award is delayed due to factors outside the student’s control, including but not limited to delays in processing of the FAFSA or California Dream Act Application, delays in disbursements of financial aid awards, delays in scholarship funding disbursements, processing errors, or delays in federal loan disbursements.

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