

Early Action State Budget Agreement Includes Community College Emergency Aid

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On February 17, 2021, Governor Gavin **Newsom** and legislative leadership announced they had reached an [agreement](#) on a package of early action budget items to address the COVID-19 economic crisis. Included in the agreement are the Governor's proposal for emergency financial assistance to community college students (\$100 million) and funding for student recruitment and retention (\$20 million).

Emergency Financial Assistance Program

The emergency financial assistance program was previewed in trailer bill language earlier this month (see [“2021–22 State Budget—Emergency Financial Assistance”](#) in the February 2021 *Community College Update*), although some specifics have changed. The allocation to districts will be based on the total Assembly Bill 540 student and Promise Grant recipient headcount (instead of Pell Grant eligibility). Eligibility for grants has also been simplified; the student must self-certify all of the following for eligibility:

- Student is currently enrolled in at least six semester units
- Student is able to demonstrate an emergency financial aid need, including loss of employment, and that the student either currently qualifies for or is projected to receive a Promise Grant
- Student either earned a grade point average of at least 2.0 in one of their previous three semester terms or is a disabled student that is receiving additional support or services

Student Retention and Enrollment Program

Very few details are provided for this program for which language had not previously been released as trailer bill language. Funds apportioned under this program will be used to increase student retention rates and enrollment by primarily engaging:

- Former students that may have withdrawn from college due to the impacts of COVID-19
- Current community college students that may be hesitant to remain in college due to the impacts of COVID-19
- Prospective students that may be hesitant to enroll in a community college due to COVID-19

The Chancellor's Office may retain up to 10% of the \$20 million appropriation for statewide recruitment and retention efforts. No further details are provided, including how the funds will be apportioned to districts. According to the Department of Finance, the Chancellor's Office would have the authority to distribute those funds using a methodology that it deems appropriate.

Next Steps

The early action budget items will be approved as early as next week and will go into effect immediately upon Governor Newsom's signature as a State Budget bill.