



AB 1540 (Mike Fong) - Streamlining Financial Aid for Undocumented Students

Summary

AB 1540 simplifies how California Dream Act applicants access financial aid by removing extra steps that make it difficult for undocumented students to receive their awards. The California Student Aid Commission (CSAC) convened a work group in 2022 culminating in the [Renewing the Dream](#) report, which identified key barriers undocumented students face when accessing financial aid and policy recommendations to address them. Students vocalized that many people are not aware of the multiple forms they need to submit beyond what is requested of their peers, causing students to lose access to financial aid.

California's History in Providing Access to Higher Education & Financial Aid

California has the largest undocumented population in the nation, with nearly 100,000 undocumented students. California has provided great opportunities for many of these students, between laws that established nonresident tuition exemptions for undocumented students and authorized CSAC to establish the CA Dream Act Application so they may apply for state financial aid. These policies have given undocumented students access financial aid support and the ability to afford higher education. Although, California has been a leader in providing undocumented students with the tools to attend postsecondary institutions, barriers continue to hinder students in receiving financial aid.

Administrative Hurdles & Multiple Forms Undermine Student Access to Aid

In the 2021-22 academic year, only 30% of initial CADAA applicants that were eligible for state aid finished the application process. Even more alarmingly, of the 21,436 students that were eligible that were offered a financial aid award, only 13,147 were paid. First-time applicants, who are often low-income, first-generation students, fill out the CA Dream Act Application to determine their financial aid eligibility. These students must then submit a nonresident tuition exemption form (an "AB 540 affidavit") with their college or university to verify their residency status. This process can delay when students receive their aid or even potentially prevent it altogether. Additionally, many students that complete an affidavit for purposes of receiving a Promise Grant to cover community college tuition and fees do not realize that they may submit a CA Dream Act Application to receive additional aid to help with non-tuition expenses. This disjointed approach to financial aid applications and AB 540 affidavits creates confusion and results in students receiving less financial aid.

How AB 1540 Removes Financial Aid Barriers

AB 1540 streamlines the financial aid process for CA Dream Act students by facilitating the integration of the nonresident tuition exemption form ("AB 540") affidavit into the CA Dream Act Application. This will allow students submitting an application to also complete their affidavit, while allowing campuses to continue offering their own form to students that do not apply for state aid.

AB 1540 helps ensure that more California Dream Act students can receive their financial aid on-time and without unnecessary barriers.

For more information or questions about AB 1540, please contact Yessica Mox at Yessica.Mox@csac.ca.gov