Frequently Asked Questions about AB 131 (California Dream Act II)

Context: AB 131, the “California Dream Act II” was signed by the Governor on October 7, 2011.

What will AB 131 do?
AB 131 will allow all students who qualify for AB 540 nonresident tuition exemptions, including those who are undocumented, to apply for Cal Grant awards and for grants and scholarships awarded by California public colleges and universities. This new law will take effect on January 1, 2013 with respect to UC institutional aid Fall term of the 2013-14 school year with respect to Cal Grants.

How is it different from AB 130?
AB 130 allows these students to apply only for grants and scholarships funded from private sources, such as gifts to UC and UC endowments. AB 131 will have a more meaningful impact on these students because it makes them eligible for Cal Grants and for UC grants and scholarships from other fund sources, too. AB 130 takes effect on January 1, 2012, while AB 131 takes effect on January 1, 2013.

Why did UC support AB 131?
UC believes that students who attended and graduated from high school in California, but are not legal residents, should have access to higher education. These students are highly motivated to succeed despite the obstacles they face. Through their hard work and perseverance, they have met the academic standards required to attend UC. Their accomplishments should not be disregarded or their future jeopardized because of their immigration status. By allowing AB 540 students to apply for and receive financial aid from the State and UC, these bills help place these students on a more equal footing with other needy students and would enhance their access to college.

How many students will benefit under AB 131?
UC estimates that about 800 undergraduates who will qualify Cal Grant entitlement awards worth about $7 million. Among these students who are newly-eligible for Cal Grants, UC estimates that about 300 are undocumented and 500 are documented. UC estimates that about 440 undocumented undergraduates will qualify for roughly $4.3 million in UC grants and scholarships. These are rough estimates only, however, because UC does not currently collect information about the income or other financial resources of undocumented students.

Will expanding aid to undocumented students result in less aid for documented students?
Cal Grants received by undocumented students will not reduce the number or amount of Cal Grant awards available for other students. For UC grants and scholarships, the impact on other students will be negligible because undocumented students represent a tiny fraction of the student body. (UC estimates that fewer than one-half of one percent of its students are undocumented.)

Where will funding for UC awards come from?
UC’s financial aid programs are primarily funded from tuition revenue. UC sets aside about 30 percent of undergraduate tuition revenue for financial aid. Undocumented students pay into this pool but have been prevented from receiving any assistance from it. Under AB 131, eligible undocumented students with financial need can apply for aid.

How will undocumented students apply for Cal Grants and UC financial aid?
UC will work with the California Student Aid Commission and other segments to develop the forms and processes used to determine whether eligible undocumented students qualify for Cal Grants and institutional aid.

Does AB 131 affect all undocumented students?
No. AB 131 affects only students who are exempt from paying nonresident tuition under AB 540. To qualify, students must have attended a California high school for at least three years and graduated from a California high school. In addition, undocumented students must attest that they have filed an application to legalize their immigration status, or will file an application as soon as they are eligible to do so.

Rev. 10/7/2011