

REACHING CALIFORNIA'S POSTSECONDARY ATTAINMENT GOALS

Effects of the Cal Grant Community College Entitlement on Adult Learners

Financial constraints are often cited as a primary barrier to educational attainment.¹ Such strain may be particularly pronounced for adult learners—age 25 or older—who often hold primary responsibility for the direct (tuition, fees, textbooks) and indirect costs of college attendance.² In many cases, adult learners are paying for housing, food, and transportation costs both for themselves and dependents. Moreover, their decision to enroll in college may require reduced work hours and additional childcare costs.

Both federal and state financial aid programs aim to ease this burden, though eligibility is often restricted for adult learners and funds do not always reach those who may be eligible. *Opportunity to Improve: Financial Aid for Adult Learners in California Community Colleges*, a related brief in this series about adult learners in the California Community College (CCC) system, explores the availability and use of various financial aid programs available to adult learners. Among these programs, the California College Promise Grant waives tuition/fees for eligible students and the Cal Grant B provides direct income to be used for non-tuition expenses, such as rent, utilities, transportation, childcare, and other costs associated with attending college. Historically, Cal Grant B eligibility was limited among adult learners due to a maximum cap on the number of grants, but recent policy efforts greatly expanded eligibility specifically for CCC students more than a year out of high school. This brief dives more deeply into the new Cal Grant Community College Entitlement Award and its positive outcomes for adult learners in the CCC system.



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Policy Background

California's state-funded grant program for low-income learners—the Cal Grant—provides a variety of different grants to support California college students at two- and four-year institutions, both public and private. In the CCC system, the Cal Grant B provides almost \$300 million to over 186,000 students each year. Because nearly all students eligible for the Cal Grant B also receive a tuition/fee waiver via a separate financial aid program (the California College Promise Grant, formerly known as the Board of Governors fee waiver), the entirety of Cal Grant B aid is direct income to students that can be used for non-tuition expenses.

For CCC students, the Cal Grant B provides a base award of up to \$1,648 each year, with larger amounts available for former foster youth (\$10,500) and students with dependent children (\$6,000). To apply, students must submit the Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA) by September 2 of each academic year. Eligibility requirements include a minimum 2.0 GPA³ and demonstrated financial need. Financial need is determined by income and assets thresholds, which vary by family size and are adjusted for inflation each year, set by the California Student Aid Commission (CSAC). To receive a Cal Grant B, eligible students must enroll in at least 6 units, and award amounts are then pro-rated by enrollment. In this case, learners receive the maximum amount for full-time enrollment (12 units) and half that amount for enrolling in 6 to 8.9 units.

Historically, Cal Grant B eligibility was limited for adult learners. Learners two or more years out of high school were eligible for only the Competitive Cal Grant program, which issued a fixed number of awards available each year. Because the number of students eligible for a Cal Grant exceeded the cap each year, CSAC used a competitive points system to determine recipients. In this system, CSAC assigned each learner a score of up to 1,000 points based on numerous factors—including Expected Family Contribution (EFC), income, assets, household size, GPA, parental education, dependency status, and years since high school graduation—and then offered awards to those with the highest point totals until the cap on awards was reached. As a result, many older students who met basic Cal Grant eligibility did not receive the grant.

The 2021 passage of Assembly Bill 132 replaced the Competitive Cal Grant program with the Cal Grant Community College Entitlement Award (CC Entitlement). Effective as of the 2021–22 academic year, this new program eliminated the cap on the number of awards and the competitive scoring system for CCC students more than one year out of high school. Now, all CCC students who meet the baseline requirements, including GPA and income, are eligible for a Cal Grant B, regardless of age.

The changes that accompanied the CC Entitlement also held the potential to increase eligibility for a separate CCC financial aid program—the Student Success Completion Grant (SSCG). The SSCG provides additional funding for Cal Grant B recipients enrolling full-time. Since the SSCG was created in 2015–16, award amounts have increased and are currently equal to \$8,000 per year for students enrolling in 15 or more units each semester. Because baseline eligibility for the SSCG is receipt of the Cal Grant B, changes introduced through the CC Entitlement program also expanded the number of learners potentially eligible for the SSCG, specifically, those enrolled full time.

ABOUT THE DATA AND METHODS

We used administrative data from California Student Aid Commission (CSAC) to construct our analytical sample including California residents who submitted financial aid applications for the three academic years from 2019–20 through 2021–22, and who met basic eligibility requirements for either the Competitive Cal Grant program or the CC Entitlement program. These data were merged with administrative data from the CCC Chancellor’s Office consisting of student-level records for community college enrollment and academic performance.

The introduction of the CC Entitlement and removal of the former Competitive Cal Grant’s maximum cap on awards provided an opportunity to evaluate the impact of the expansion by comparing newly eligible students (who would have scored below the criteria threshold in prior years) to unaffected higher-scoring applicants who would have been eligible even without the eligibility expansion. For the 2021–22 cohort, we calculated the points students would have scored based on need and educational factors under CSAC’s former competitive points rubric. This allowed us to determine which students were “treated” by the new program—those who would have had too few points to receive the former Competitive Award but were, under the updated system, eligible for the award with the CC Entitlement.

To isolate the effect of the CC Entitlement, we made a few important sample restrictions:

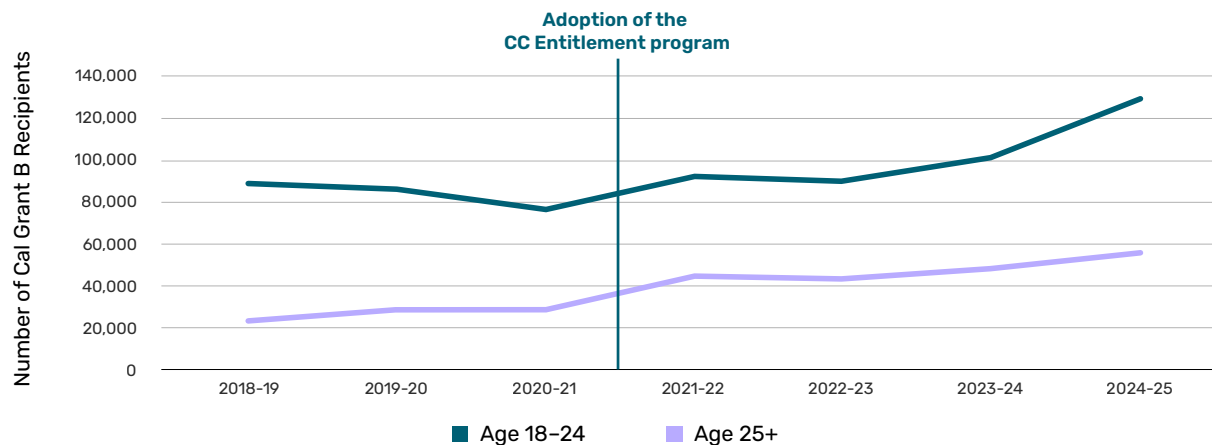
1. Excluded aid applicants from the study if their calculated points were below the minimum threshold of 200 using the CSAC competitive points rubric, as no applicants with calculated points below 200 received awards.
2. Restricted the sample to learners who were at least 21 years old when they applied for aid to focus on those who would have been at least two years out of high school and eligible for the Cal Grant programs studied (we do not observe high school graduation date).
3. Restricted the sample to learners who submitted applications after April 2 and before September 2, essentially eliminating those applying to four-year institutions, who must apply by March 2.

We employed a difference-in-differences design to estimate the impacts of this expanded eligibility. This quasi-experimental method allowed us to identify causal impacts of this specific program on adult learner academic outcomes.

- **The number of CCC students receiving Cal Grant B continues to increase over time.** Since 2018, the number of Cal Grant B recipients has increased from over 111,000 to almost 184,000 students in 2024–25. Over the last seven years, Cal Grant B receipt has increased by 142% for adult learners and 45% for younger students in the CCC system.

The CC Entitlement was adopted in 2020 and first implemented for students in fall 2021. In its first year, the number of learners age 25 or older receiving Cal Grant B rose by 53%, from about 28,500 to over 43,000 students. In the same year, the number of 18- to 24-year-olds receiving Cal Grant B increased by 20%.

The number of Cal Grant B recipients has continued to climb each year for students of all ages. While fewer adult learners receive the Cal Grant B compared to younger students, they now comprise a larger share of total Cal Grant recipients.



Source: Authors' calculations from Management Information Systems (MIS) data available through a data-sharing agreement between the California Education Lab and the California Community Colleges Chancellor's Office.

Figure note: This figure includes 1,243,501 student-year observations for those who received a Cal Grant B in the 2018–19 through 2024–25 academic years (inclusive of summer, fall, winter, and spring terms).

- **The CC Entitlement award increased full-time enrollment among adult learners.** As a result of the new CC Entitlement program, there was a 4-percentage-point increase in the share of adult learners enrolling in more than 12 units, with a corresponding 4-percentage-point decrease in the share of students enrolled in fewer than 6 units (the minimum units required to receive a Cal Grant B). There was no significant effect on the likelihood of adult learners enrolling in 6 to 11 units or 15 or more units.

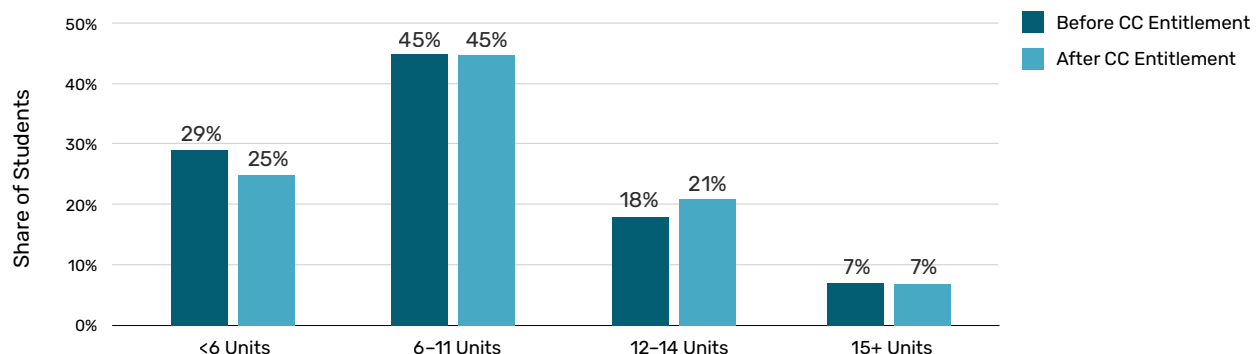


Figure note: We used a difference-in-differences design to estimate the impacts of this rapid expansion, comparing newly eligible students, who would have scored below the criteria threshold in prior years, to unaffected higher-scoring applicants who would have been eligible even without the expansion.

- **The CC Entitlement program also improved adult learner persistence and certificate/degree attainment.** Adult learner persistence from the fall to spring semester increased by 3 percentage points (over an initial 68%). The share of adult learners earning a certificate or associate degree within three years also increased by 3 percentage points, from 37% previously.

3pp↑
Fall-spring persistence

3pp↑
Certificate/degree attainment

Source: Authors' calculations from MIS data available through a data-sharing agreement between the California Education Lab and the California Community Colleges Chancellor's Office.

- **The CC Entitlement program had an even larger impact for student parents and those with lower credit accumulation and no prior degree.** While overall adult learner certificate/degree attainment increased by 3 percentage points, the effects were even stronger for student parents (+5 percentage points) with no significant effect for students without dependent children. The effects were also stronger for adult learners who had previously earned fewer than 60 units, with no significant effect for adult learners who had already earned 60 or more units prior to the new program.

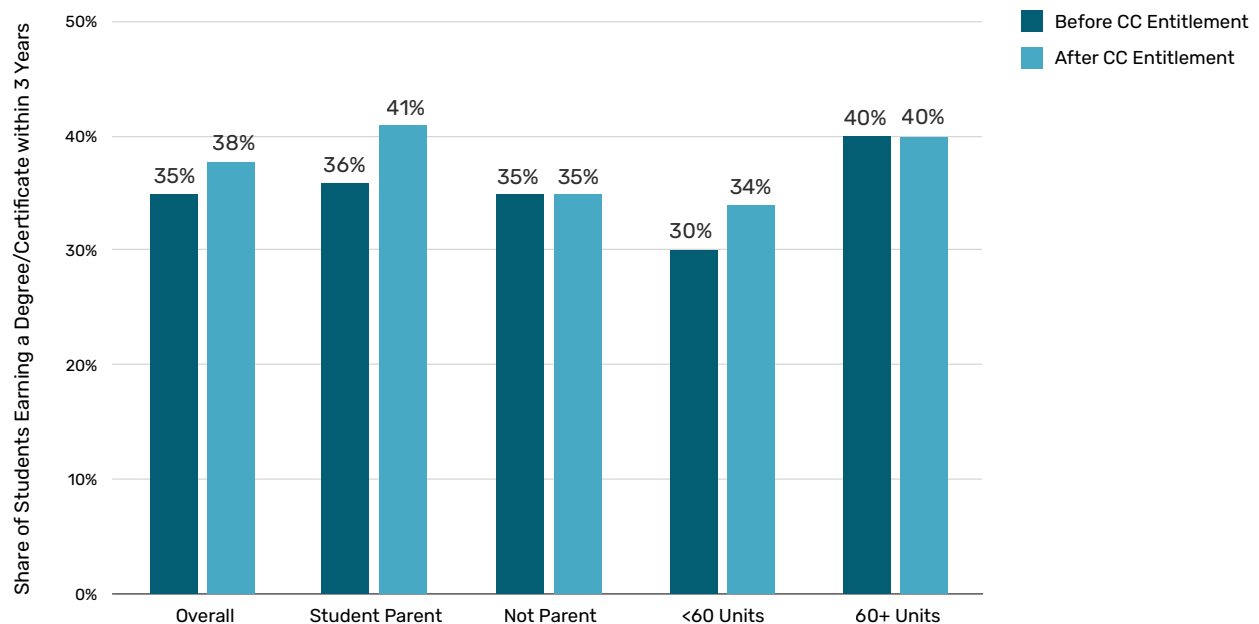


Figure note: We used a difference-in-differences design to estimate the impacts of this rapid expansion, comparing newly eligible students, who would have scored below the criteria threshold in prior years, to unaffected higher-scoring applicants who would have been eligible even without the expansion.

Discussion

The CC Entitlement program had an immediate and positive impact for adult learners in the California Community College system. Overall, the amount of Cal Grant B dollars spent on CCC students increased from \$195 million in 2019–20 to \$217 million in 2021–22. This increase is due both to eliminating the cap on the number of awards so that more students became eligible for Cal Grant B funding and also to an increase in the share of students reaching the maximum Cal Grant B base award by enrolling in 12 to 14 units. The change also decreased the share of students enrolling in less than 6 units per semester, which is the minimum threshold to receive any Cal Grant B funds. With the increase in the number of students receiving Cal Grant B funding and the number of those students enrolled in at least 12 units, more students are potentially eligible for SSCG dollars as well. Together, these effects mean more money in the pockets of CCC students.

Along with the direct impact of receiving financial aid dollars, implementation of the CC Entitlement brought other benefits to students. Under the previous Competitive Cal Grant Award, CCC students first learned of their eligibility for Cal Grant B (based on the competitive points system) many weeks after the semester began. Elimination of the points system sped up the timeline for determining eligibility. As a result, students are now aware of their Cal Grant eligibility much earlier, improving clarity and financial stability, and likely informing enrollment decisions.

This increase in financial support is shaping adult learners' educational trajectories. In addition to increases in full-time enrollment, a greater proportion of students are persisting from one term to the next and earning a degree within three years. Both full-time enrollment and persistence help students proceed more quickly toward their educational goals. As a direct result of the CC Entitlement, the share of adult learners earning a certificate or associate degree within three years increased by 3 percentage points overall and 5 percentage points among student parents. Degree attainment among students at the early stages of their educational journeys (as measured by unit accumulation) increased by 4 percentage points as a result of the CC Entitlement program, indicating the importance of financial aid early in college attendance.

The success of the Cal Grant Community College Entitlement Award should be celebrated. Yet, the work to ensure all eligible CCC students successfully apply for and receive financial aid is not done. Policymakers and higher education professionals must take continued action to ensure that adult learners gain the financial stability necessary to meet their educational goals and realize economic mobility. As described in a related brief in this series, fewer than half of adult learners complete the initial step of submitting the FAFSA or CADAA, and many eligible students do not actually receive aid. In total, just 19% and 4% of adult learners enrolled in credit-bearing courses apply for financial aid, are deemed eligible, and receive a Pell Grant or Cal Grant B, respectively. Policymakers should continue pursuing financial aid expansion and reform through legislative action. Higher education personnel should encourage all adult learners to apply for financial aid and support them at each step of the process to make sure learners receive the aid for which they are eligible. This includes ensuring that communication with learners is frequent, clear, and accessible; using data to identify equity gaps; collaborating with campus programs and advisors; and incorporating student perspectives into financial aid processes.⁴

Conclusion

The evidence presented here indicates the power of financial aid to support timely degree attainment and offers several implications for policy and practice. The Cal Grant Community College Entitlement award—whether intentionally or consequentially—engaged multiple mechanisms in a complex financial aid system. It eliminated competitive processes and caps on the number of awards, thereby broadening eligibility. It streamlined eligibility decisions, providing financial aid award information to students earlier in the term. It put more money in the pockets of these learners, reducing financial strain and supporting the full cost of attendance. In turn, learner outcomes improved. This research provides strong evidence of the positive impacts of expanding financial aid eligibility. But more work is needed to be done to rethink, reform, and redesign financial aid policies and practices more broadly. At minimum, financial aid policies should remove award caps that force competition between students; clearly define eligibility criteria; provide information about awards, amounts, and disbursement timelines as early as possible; and minimize burdens between eligibility notification and aid receipt. Only with such thoughtfully designed financial aid programs will we meet California’s goal of 70% of adults holding a postsecondary degree.

Endnotes

- 1 Dynarski, S. & Scott-Clayton, J. (2013). Financial aid policy: Lessons from research. *The Future of Children*, 23(1), 67-91.
 Page, L. C., & Scott-Clayton, J. (2016). Improving college access in the United States: Barriers and policy responses. *Economics of Education Review*, 51, 4-22.
 Scott-Clayton, J. (2017). Undergraduate financial aid in the United States. Cambridge, MA: American Academy of Arts and Sciences.
- 2 Direct costs of college attendance include tuition, fees, and textbooks. Attending college also has indirect costs, such as living expenses. California Student Aid Commission. (2023). [Food and Housing Survey: Understanding Students Basic Needs](#). Survey report, California Student Aid Commission.
 Goldrick-Rab, S., Richardson, J., & Hernandez, A. (2017). Hungry and homeless in college: Results from a national study of basic needs insecurity in higher education.
- 3 Requirement applies to GPA in prior coursework or in high school for those entering the CCC for the first time.
- 4 NASFAA, 2026. [Financial Aid Competency: Commitment to College Access and Student Success](#) April 27, 2026 | NASFAA.

ACKNOWLEDGMENTS

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About The California Education Lab

The California Education Lab—in the School of Education at University of California, Davis—is a collaborative group of researchers investigating important questions of education policy and practice in California. Much of our work focuses on understanding how young adults are prepared for, transition into, and succeed in college. Our projects explicitly aim to understand and improve persistent inequalities in educational attainment for students from different racial/ethnic and socioeconomic backgrounds.

In our work, we partner with California educators and policymakers across the K–12 and postsecondary sectors to answer timely and relevant questions with rigorous analytical methods. Our long-standing relationships with the California Department of Education, the California Community Colleges Chancellor’s Office, and the California Student Aid Commission inform and enable our research. Over time, we have accumulated considerable knowledge about the State’s multiple, and diverse, education sectors, and the data and methods necessary to answer critical policy questions for California.

Our work is supported through federal research grants and the generosity of private foundations.

Education.UCDavis.edu/California-Education-Lab



About College Futures Foundation

At College Futures Foundation, we believe in the power of postsecondary opportunity.

We believe that securing the postsecondary success of learners facing the most formidable barriers will ensure that all of us can thrive—our communities, our economy, and our state. We believe that the equitable education system of the future, one that enables every learner to achieve their dreams and participate in an inclusive and robust economy, will be realized if we are focused, determined, and active in our leadership and partnership.

We also know that the past few years have brought profound shifts in California’s education and workforce landscapes—including college enrollment declines alongside high demand for affordable, career-connected training, national conversations on student debt and mental health, and numerous other changes prompted or accelerated by COVID-19 and a nationwide racial reckoning. These changes have underscored the realities of how inequitably our systems center and serve diverse people. We know that the coming years will present equally significant challenges and opportunities, and that we must be well-prepared to meet these moments.

Our Vision: We envision a California where postsecondary education advances racial, social, and economic equity, unlocking upward mobility now and for generations to come.

Our Mission: Our mission is to increase postsecondary completion for learners who are underserved. We center learners and their aspirations and needs on the path to achieving their educational goals.

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