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July 15, 2014

The Honorable Mike Gatto, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Re: **SB 1210 (Lara)*, as Amended on June 30, 2014***
Scheduled to be heard by the Assembly Appropriations Committee on August 6, 2014
Position: SUPPORT

Dear Assembly Member Gatto:

The University of California (UC) is pleased to sponsor and support SB 1210 (Lara). This bill establishes a campus-based California DREAM Loan Program to serve UC and CSU students who qualify for a nonresident tuition exemption under AB 540 but who lack access to federal student loans.

The University has been a strong supporter of legislative efforts to ensure that undocumented students have the same opportunities for academic success as other students, including legislation providing these student access to in-state tuition (AB 540, 2001) and state and institutional financial aid (AB 130 and AB 131, 2010). SB 1210 addresses one of the remaining hurdles for these students: a significant gap of roughly $3,000 to $6,000 in their financial aid package created by their inability to qualify for federal loans that other students with similar financial circumstances do not have.

Undocumented students are more likely to come from low-income families and to be the first in their families to attend college. Unless students fill this gap by working additional hours for pay (in addition to the student contribution already required by institutions), taking extraordinary steps to reduce their expenses, or finding outside resources, they risk having to withdraw from college.

By making AB 540 students eligible for a State educational loan, SB 1210 would help place these students on a more equal footing with other needy students and would enhance their access to the University. To reiterate, this is about leveling the financial aid playing field, not about providing benefits to one group that is not already available to others.

SB 1210 requires more than a State investment in these students; campuses have an obligation as well. In addition to requiring that each institution originate, service and collect on the loans, SB 1210 requires each institution to contribute to its own loan pool on a 1:3 matching basis (i.e., $1 of institutional funds for every $3 of State funds) in the first year and up to 50% over 5 years. This guarantees institutions will have an incentive to administer the program responsibly and to minimize defaults.

Through their hard work and perseverance, these students have earned the opportunity to attend UC. Their accomplishments should not be disregarded or their future jeopardized because of their legal status.

On behalf of the University, we would like to thank you for your consideration of our views and Senator Lara for his leadership in addressing this important issue. Should you have any questions about the University's position as the sponsor of this bill, please do not hesitate to contact me at (916) 455-9924.

Sincerely,

Nadia Leal-Carrillo
Legislative Director

cc: Senator Ricardo Lara
Members, Assembly Appropriations Committee
President Janet Napolitano
Provost and Executive Vice President Aimée Dorr
Executive Vice President Nathan Brostrom
Senior Vice President Daniel Dooley
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