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Steve Juarez, Associate Vice President and Director

July 10, 2015

Honorable Carol Liu
Chair, Senate Education Committee
State Capitol, Room 2083
Sacramento, CA 95814

Re: AB 1307 (McCarty), as amended July 7, 2015
Scheduled for hearing in the Senate Education Committee July 15, 2015
Position: OPPOSE UNLESS AMENDED

Dear Senator Liu,

On behalf of the University, I am writing to express UC's opposition to AB 1307 unless amended to remove provisions mandating return to aid funding sources and amounts and excluding nonresident graduate students from receiving this aid. UC is committed to maintaining its historic commitment to institutional financial aid, but AB 1307 is unnecessarily restrictive and inflexible in how we maintain this commitment.

The University recognizes the challenges that students and families face in paying for the cost of education, and we strive to ensure that cost is not a barrier to attendance. The Regents' financial aid policy is designed to consider all factors that influence college affordability, such as college costs, the demographics of the University's student body, and the availability of State and Federal aid programs. As a result, 55% of our students pay no tuition.

UC is committed to maintaining our institutional aid program, which we expanded even during the recent Great Recession, and has no plans to walk away from this fundamental pillar of a UC education. As written, however, the bill would limit our ability to substitute other revenues for return to aid funds should the need arise. For example, if a UC campus received a significant philanthropic gift for financial aid, it may benefit students if tuition revenues that would otherwise be used for aid were directed toward another priority such as student support services. AB 1307 would unnecessarily limit that flexibility to use our funds as effectively as possible for the benefit of our students.

We are also concerned that by specifying "resident" students, AB 1307 would limit our ability to provide financial aid to low and middle income graduate students who come from around the U.S. and the world to study at UC. These students contribute to the State and the nation as a

The Honorable Carol Liu

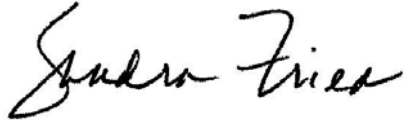
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whole through their teaching and research, and many remain in California after graduation and make lasting contributions to the State.

We appreciate and share the author's interest in finding ways to provide tuition predictability and stability, in consultation with our students, so that we can continue to provide access to the high quality education they expect and deserve. As always, thank you for your consideration of our views. Please feel free to call me at (916) 445-9924 if I can provide further information.

Sincerely,

A handwritten signature in cursive script that reads "Sandra Fried".

Sandra Fried

Associate Director, Legislative Affairs

cc: Assembly Member Kevin McCarty
Vice Chair and Members, Senate Education Committee
President Napolitano
Provost Aimeé Dorr
Executive Vice President and CFO Nathan Brostrom
Senior Vice President Nelson Peacock
Associate Vice President and Director Steve Juarez