

YOUNG INVINCIBLES

2018 California Policy Agenda

Introduction

Young Californians face a unique set of economic challenges. They are unemployed at a higher rate than the national average¹, skyrocketing tuition has left the typical college graduate with \$20,340 in debt², and young adults are uninsured at disproportionate rates compared to older adults.³ If unaddressed, these fundamental economic barriers could curtail both the long-term financial security of young Californians, and the economic growth and stability of the state as a whole.

This past session, the State Legislature took several critical steps to help address a number of the economic challenges facing Millennials. Two bills will expand access to food security on college campuses, making it easier for low income Californians to complete degrees: AB 214 will improve access to EBT and SNAP benefits for college students,⁴ and AB 453 provides a one-time \$7.5 million dollar investment in anti-hunger initiatives in the FY18 budget,⁵ which will be used to incentivize schools to establish innovative programs to respond to and combat hunger on campuses. The State also took major steps to improve retirement security for young adults through the passage of SB 1234.⁶ In addition, the budget includes investments at the intersection of higher education and the workforce, where community college students who pursue career and technical education (CTE) training and receive a Cal Grant C award will now be eligible for \$1,094 (up from \$574) to cover access costs such as housing, transportation, and food.⁷

These improvements represent positive momentum for California, but we still have critically-needed work to do. The following recommendations are aimed at expanding mental health supports for college students, improving the affordability and accessibility of higher education, strengthening workforce pathways, and generally ensuring greater economic opportunity for all young Californians. YI-West's policy priorities in California for 2018 are a multi-pronged approach to promote state policy solutions that increase long-term financial stability for all young Californians.

Higher Education

The average tuition for California's public four-year universities increased from \$5,422 in the 2004- 2005 school year to \$9,680 in the 2017-2018 school year.⁸ In that same time period, the average cost of tuition and fees in the state's public two-year schools increased from \$1,044 to 1,430.⁹ The average debt for public, four-year institutions in California is \$22,744,¹⁰ but debt burdens are not borne evenly across students-- lower income students are far more likely than those with higher incomes to graduate with debt.¹¹ The State of California has placed an unprecedented focus on financial aid in the 2017-2018 budget, but there is more that the state can do to support college students. Furthermore, we see acute impact for our severely low-income and underserved students in California as rising college costs lead to increases in student hunger and student homelessness. Currently 19 percent of UC Students experience hunger due to financial constraints.¹² Twelve percent of CSU students experience homelessness.¹³ Disinvestment in higher education undermines the ability of young adults in California to afford college, contributing to long-term financial insecurity.

Strengthen the Cal Grant Program to make college more affordable and to reduce low and middle-income Californians' reliance on student debt

California has taken several key steps over the past two years to increase access to need-based aid for our students, including both increasing the size of low-income students' non-tuition grants and upping the number of non-tuition grants available.¹⁴ Despite these critical steps, however, low-income students continue to remain underserved by the Cal Grant program: the size of grants has not kept up with tuition costs for students who receive them, and many other low-income students continue to be left out altogether.¹⁵ In the year ahead, the Legislature should fully restore the original purchasing power of the Cal Grant B access award – increasing the maximum grant from \$1,670 to \$6,300, and should continue to leverage its investment in Cal Grant C Access Awards, including continuing to expand need based financial aid to better cover the total cost of college by increasing the number of students that the program reaches in 2018.

Allocate funding for campuses to provide resources for food insecure and displaced student populations

Passage of AB 214 and 453 in the 2017 session helped reduce food insecurity for young Californians by simplifying the application process for CalFresh, California's SNAP program, and by requiring outreach to students on eligibility. AB 453 is a one-time budgetary investment that will incentivize schools to establish programs to combat hunger on campuses. In 2018, California should expand this critical work by examining regulatory options for expediting the application process for all counties that are interested in participating in the restaurant meals program in order to grow the number of regions that are part of the program.

Workforce & Finances

Access to stable and well-paying jobs is essential to economic opportunity for young adults. Millennials account for 29 percent of California's population and 37 percent of California's workforce. Each year, California loses \$219 million from high young-adult unemployment, mainly due to lost tax revenue. This is particularly devastating because young Californians are unemployed at a higher rate than the national average: currently 15.8 percent of young adults in the state between the ages of 16 and 24 are unemployed, compared to 13.8 percent unemployment for young adults ages 16-24 nationally. Expanding training for middle-skill jobs is a crucial path for improving our youth employment rate. Today 50 percent of California's labor market is comprised of jobs that require middle skills training, but only 40 percent of the state's workers are trained to the middle-skill level. Investments and improvements to Career and Technical Education (CTE) and to paid internship opportunities that connect young adults with career pathways will provide meaningful opportunities to the individuals involved in these programs, and will help us bridge the skills/experience gap in California.

Increase awareness of CTE programs at community colleges

Career and Technical Education (CTE) courses provide critical opportunities to connect young adults with middle skill jobs. However, they can often cost more to provide than non-CTE courses.²⁰ Passage of SB 15 increased the Cal Grant C Award for Access Costs for students from \$547 to \$1,094.²¹ We should maximize the state investments by launching a state campaign to increase awareness of CTE programs at community colleges in California (with a focus on, but not limited to, healthcare career pathways) in order to ensure that our students know about these high-growth, high-impact career pathways. The state should also expand the data it tracks on CTE programs and should provide direct support to institutional efforts that are deliberately designed to address changing labor markets.

Health Care

Mental health issues are a pervasive concern for young adults, with one in four people living with a mental illness.²² According to the National Alliance on Mental Illness (NAMI), 75 percent of lifetime mental health conditions begin before age 24, and according to the RAND Corporation, we saw an increase of 13.2 percent in the proportion of students who reported using mental health services in one year across all three California systems (UC, CSU, CCC): in academic year 2013, 19.6 percent of students reported receiving such services; in academic year 2014, 22.1 percent of students reported receiving such services,²³ making college campuses essential in mental health awareness and treatment in California.²⁴

Create standards for improving access to and awareness of mental health resources on college campuses

California should improve campus mental health by advancing legislation aimed at reducing stigma and increasing awareness of resources available on campuses. Legislation should require campuses to provide information about mental health services and supports at all new student orientations, and to post information about mental health resources on campus in an easily accessible location on all campus websites . The state should also launch an official “Campus Mental Health Day” aimed at raising awareness and reducing stigma across the state.

Endnotes

¹ Young Invincibles Analysis of American Community Survey, 1 year estimates of average poverty and unemployment rate for ages 16-to-24 in California State.

² Tom Allison, 2016 State Report Cards, (Washington, DC: Young Invincibles, 2016), 16, accessed November 23, 2016, <http://younginvincibles.org/wp-content/uploads/2016/01/YI-State-Report-Cards-2016.pdf> .

³ YI Analysis of 2016 CPS Data.

⁴ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB214

⁵ <http://younginvincibles.org/press-releases/california-fy-17-18-budget/>

⁶ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB1234

⁷ <https://ticas.org/blog/financial-aid-gains-2017-18-california-state-budget-agreement> , accessed January 11, 2018

⁸ Tuition and Fees by Sector and State Over Time, (New York, NY: College Board, 2016), accessed December 4, 2017, <https://trends.collegeboard.org/college-pricing/figures-tables/tuition-fees-sector-state-over-time>.

⁹ Ibid.

¹⁰ <https://ticas.org/posd/map-state-data#>

¹¹ https://ticas.org/sites/default/files/pub_files/classof2016.pdf , page 12, accessed on January 11, 2018.

¹² Suzanna M. Martinez, Katie Maynard, and Lorene D. Ritchie, UC Global Food Initiative: Student Food Access and and Security Study (Oakland, CA: Nutrition Policy Institute, 2016), 4, accessed October 11, 2016, <http://www.ucop.edu/global-food-initiative/best-practices/food-access-security/student-food-access-and-security-study.pdf>

¹³ Rashida Crutchfield et. al., Serving Displaced and Food Insecure Students in the CSU, (Long Beach, CA: California State University, 2016), 6, accessed October 11, 2016, <https://www.calstate.edu/AcadAff/documents/ServingDisplacedandFoodInsecureStudetnsintheCSUJanuary20163.8.16.pdf>.

¹⁴ Fermin Leal, “Boost in Cal Grant Funding Aims to Keep Pace with Growing Rate of College-Ready Students,” Ed Source, February 4, 2016, accessed November 23, 2016, <https://edsources.org/2016/boost-in-cal-grant-funding-aims-to-keep-pace-with-growing-rate-of-college-ready-students/94428>.

¹⁵ How and Why to Improve Cal Grants, (Oakland, CA: Californians for College Affordability, 2016), 1, accessed November 23, 2016, https://ticas.org/sites/default/files/pub_files/how_and_why_to_improve_cal_grants.pdf

¹⁶ <http://younginvincibles.org/wp-content/uploads/2017/06/Through-Their-Eyes-May72015.pdf>, accessed on January 11, 2018.

¹⁷ Rory O’Sullivan, Konrad Mugglestone, and Tom Allison, In This Together: The Hidden Cost of Young Adult Unemployment (Washington, DC: Young Invincibles, 2014), 40, accessed April 24, 2015, <http://younginvincibles.org/wp-content/uploads/2017/04/In-This-Together-The-Hidden-Cost-of-Young-Adult-Unemployment.pdf>.

¹⁸ YI analysis of 2016 ACS data.

¹⁹ California’s Forgotten Middle, (Washington, DC: National Skills Coalition, 2014), accessed November 23, 2016, <https://www.nationalskillscoalition.org/resources/publications/file/middle-skill-fact-sheets-2014/NSC-California-MiddleSkillFS-2014.pdf>.

²⁰ Funding Career and Technical Education (CTE) Programs at California’s Community Colleges, (Sacramento, CA: Blue Sky Consulting Group, 2015), 4, accessed November 23, 2016, <http://doingwhatmatters.cccco.edu/portals/6/docs/SW/CTE%20Funding%20Report%20for%20CCCCO%20REVISED%2020150420.pdf>.

²¹ <http://sd20.senate.ca.gov/news/2016-12-05-leyva-introduces-legislation-help-community-college-students-pay-school-costs>

²² “Mental Health Disorders Statistics,” John Hopkins Medicine, Accessed October 2017, http://www.hopkinsmedicine.org/healthlibrary/conditions/mental_health_disorders/mental_health_disorder_statistics_85,P00753

²³ Ashwood, J. Scott, Bradley D. Stein, Brian Briscoe, Lisa Sontag-Padilla, Michelle W. Woodbridge, Libby May, Rachana Seelam and M. Audrey Burnam. Payoffs for California College Students and Taxpayers from Investing in Student Mental Health. Santa Monica, CA: RAND Corporation, 2015. https://www.rand.org/pubs/research_reports/RR1370.html.

²⁴ National Alliance on Mental Illness. (2017). Mental Health By The Numbers. Retrieved from <https://www.nami.org/LearnMore/Mental-Health-By-the-Numbers> on July 31, 2017.