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**HACU Applauds Governor for Maintaining/Enhancing Funds for Higher Education Segments
Expresses concerns about changes/reductions to Cal Grant Program**

SACRAMENTO, CA – The Hispanic Association of Colleges and Universities thanks Governor Brown for maintaining or enhancing funding for the segments of higher education, but is concerned that the reductions and changes proposed to the Cal Grant Program will negatively impact Latino students who are seeking a better life through higher education.

“After many years of cuts to higher education, maintaining or slightly enhancing funding for the higher education segments is an improvement,” said Antonio R. Flores, President and CEO of HACU. “We hope that there are additional revenues to prevent the trigger cuts in the proposed January budget from occurring, as additional cuts would be devastating to access and success in higher education for Latino students.”

The Governor’s January Budget included a slight increase in funding for the University of California, while level funding the California State University system and California Community Colleges. Included in the funding for the three higher education systems is funding for academic preparation programs, including Early Academic Outreach Programs (EAOP), MESA, and Puente, among others vital to the success of many first-generation college-going students. Unfortunately, should revenues not materialize, the budget also includes trigger cuts of \$200 million each for the UC and CSU, and additional trigger cuts to the California Community Colleges. These cuts would come after higher education lost \$2 billion in the 2011-12 budget. Continued cuts to higher education will negatively impact the continued access and success of under-represented minorities who have been making gains in college attendance and completion.

HACU is concerned that this year’s proposed budget includes changes and reductions to the Cal Grant program, which is vital to the college-going dreams of low-income students. In particular, the proposed January budget proposes to reduce the Cal Grant for students attending private non-profit institutions to the tuition level at the California State University system. This would mean students would lose almost 40% of their current Cal Grant amount. Non-profit institutions, which have already set their financial aid programs for next year, would not be able to make up the difference in funding lost, causing some low-income students to have to transfer to a 4-year public institution (if there is a spot for them there) or drop out of higher education all together.

Flores added: “We acknowledge the magnitude of California’s budget and structural deficits. However, reducing the level of funding for students attending a non-profit institution not only hurts those students, but also puts additional strain on the public 4-year universities who have faced general fund budget cuts. We hope the Governor and Legislature will find additional revenues to allow low-income Latino students to complete their education at the college of their dreams.”

HACU staff will continue to review the detailed California proposed budget, participate in higher education budget hearings, and provide information on how the budget impacts Latino students in California.

HACU was established in 1986 with a founding membership of 18 institutions. Today, HACU represents approximately 400 colleges and universities committed to Hispanic higher education success in the U.S., Puerto Rico, Latin America, Portugal and Spain. HACU’s regional office in Sacramento represents its membership in the western region of the U.S. HACU is the only national educational association that represents Hispanic-Serving Institutions (HSIs).

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