

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1285

Introduced by Assembly Member Fong

February 22, 2013

An act to amend ~~Sections 66021.2 and~~ *Section* 69435 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1285, as amended, Fong. Student financial aid: Cal Grant Program.

~~(1) Existing~~

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program (Cal Grant Program), establishes the Cal Grant A and B Entitlement ~~Awards awards~~, the California Community College Transfer Cal Grant Entitlement ~~Awards awards~~, the Competitive Cal Grant A and B ~~Awards awards~~, the Cal Grant C ~~Awards awards~~, and the Cal Grant T ~~Awards awards~~ under the administration of the Student Aid Commission, and establishes eligibility requirements and maximum levels for awards under these programs for participating students attending qualifying institutions, as defined. Under the Cal Grant Program, the maximum Cal Grant B award for a student attending the University of California or the California State University equals the mandatory systemwide fees in the segment attended by the student, plus the award for access costs, and the maximum Cal Grant B award for a student attending a nonpublic institution equals the amount of the tuition award, as prescribed, plus the award for access costs, except that

in the first year of enrollment in a qualifying institution, the maximum award is only for the amount of the access award.

~~This bill would delete the provisions that limit the maximum Cal Grant B award for a student attending the University of California, the California State University, or a nonpublic institution to the amount of the access award in the student's first year of enrollment in the institution.~~

~~(2) With~~

With respect to Cal Grant B Entitlement Awards awards, existing law requires that the award be used only for tuition, student fees, and access costs, as defined, in a for-credit instructional program that is not less than one academic year in length. Existing law requires that no more than 2% of new Cal Grant B recipients enrolling for the first time in an institution of postsecondary education are eligible for payments for tuition or fees, or both, in their first academic year of attendance.

This bill would specify that any student who meets the requirements for a Cal Grant B Entitlement award is guaranteed to receive a Cal Grant B Entitlement award, and would also specify that the determination of the amount of any individual tuition and fee award under the Cal Grant B Entitlement Award depends on the cost of tuition or fees, or both, at the qualifying institution at which the student is enrolled. The bill would delete the 2% limit for receipt of payments for tuition or fees, or both, for new Cal Grant B Entitlement Award award recipients in their first academic year of attendance at an institution of postsecondary education, thus making all of the Cal Grant B Entitlement Award recipients eligible for these payments and instead provide that, for the 2014–15, 2015–16, and 2016–17 academic years, respectively, 25%, 50%, and 75% of the Cal Grant B Entitlement award recipients would be eligible for payments for tuition or fees, or both, in their first academic year of attendance at an institution of postsecondary education. The bill would further provide that, commencing with the 2017–18 academic year, and each academic year thereafter, all new Cal Grant B recipients enrolling for the first time in an institution of postsecondary education would be eligible for payments for tuition or fees, or both, in their first academic year of attendance.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 69435 of the Education Code is amended*
2 *to read:*

3 69435. (a) (1) A Cal Grant B award shall be used only for
4 tuition, student fees, and access costs in a for-credit instructional
5 program that is not less than one academic year in length.

6 (2) The commission, or a qualifying institution pursuant to
7 Article 8 (commencing with Section 69450), shall award access
8 grants in a student's first academic year. In subsequent years, the
9 award shall include an additional amount to pay tuition or fees, or
10 both, to attend college at a public or private four-year college or
11 university or other qualifying institution for all Cal Grant B awards
12 pursuant to paragraph (2) of subdivision (b) of Section 66021.2.
13 In no event shall the total award in any year exceed the applicant's
14 calculated financial need.

15 (3) ~~Not~~(A) *For the 2014–15 academic year, not more than 2*
16 *25 percent of new Cal Grant B recipients enrolling for the first*
17 *time in an institution of postsecondary education shall be eligible*
18 *for payments for tuition or fees, or both, in their first academic*
19 *year of attendance.*~~The~~

20 (B) *For the 2015–16 academic year, not more than 50 percent*
21 *of new Cal Grant B recipients enrolling for the first time in an*
22 *institution of postsecondary education shall be eligible for*
23 *payments for tuition or fees, or both, in their first academic year*
24 *of attendance.*

25 (C) *For the 2016–17 academic year, not more than 75 percent*
26 *of new Cal Grant B recipients enrolling for the first time in an*
27 *institution of postsecondary education shall be eligible for*
28 *payments for tuition or fees, or both, in their first academic year*
29 *of attendance.*

30 (D) *Commencing with the 2017–18 academic year, and each*
31 *academic year thereafter, all new Cal Grant B recipients enrolling*
32 *for the first time in an institution of postsecondary education shall*
33 *be eligible for payments for tuition or fees, or both, in their first*
34 *academic year of attendance.*

35 (E) *The commission shall adopt regulations specifying the*
36 *criteria used to determine which applicants, if any, receive both*
37 *tuition and fees plus the access grant in the first year of enrollment.*
38 *Priority shall be given to students with the lowest expected family*

1 contribution pursuant to Section 69432.7 and the highest level of
2 academic merit.

3 (b) An award for access costs under this article shall be in an
4 annual amount not to exceed one thousand five hundred fifty-one
5 dollars (\$1,551). This amount may be adjusted in the annual Budget
6 Act.

7 ~~SECTION 1. Section 66021.2 of the Education Code is~~
8 ~~amended to read:~~

9 ~~66021.2. Consistent with the state's historic commitment to~~
10 ~~provide educational opportunity by ensuring both student access~~
11 ~~to and selection of an institution of higher education for students~~
12 ~~with financial need, the long-term policy of the~~
13 ~~Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program~~
14 ~~established pursuant to Chapter 1.7 (commencing with Section~~
15 ~~69430) of Part 42 shall be as follows:~~

16 ~~(a) Commencing with the 2001-02 academic year and every~~
17 ~~year thereafter, an applicant for a Cal Grant A or B award shall~~
18 ~~receive an award that is not in excess of the financial need amount~~
19 ~~determined by the Student Aid Commission pursuant to Section~~
20 ~~69432.9 if he or she complies with all of the following~~
21 ~~requirements:~~

22 ~~(1) Demonstrates financial need under the criteria adopted~~
23 ~~pursuant to Section 69432.9.~~

24 ~~(2) Attains a grade point average, as defined in Section 69432.7,~~
25 ~~meeting the requirements of Chapter 1.7 (commencing with Section~~
26 ~~69430) of Part 42.~~

27 ~~(3) Complies with each of the eligibility criteria applicable to~~
28 ~~the type of Cal Grant award for which he or she is applying.~~

29 ~~(b) (1) The maximum Cal Grant A award for a student attending~~
30 ~~the University of California or the California State University shall~~
31 ~~equal the mandatory systemwide fees in each of those segments.~~

32 ~~(2) The maximum Cal Grant B award for a student to which~~
33 ~~this subdivision is applicable shall equal the mandatory systemwide~~
34 ~~fees in the segment attended by the student, except for community~~
35 ~~college students who receive waivers from the Board of Governors~~
36 ~~of the California Community Colleges, plus the access award~~
37 ~~calculated as specified in Article 3 (commencing with Section~~
38 ~~69435) of Chapter 1.7 of Part 42.~~

39 ~~(c) The maximum Cal Grant awards for students attending~~
40 ~~nonpublic institutions shall be as follows:~~

1 ~~(1) The maximum Cal Grant A award shall equal the tuition~~
2 ~~award level established in the Budget Act of 2000, or the amount~~
3 ~~as adjusted in subsequent annual budget acts.~~

4 ~~(2) The maximum Cal Grant B award shall equal the amount~~
5 ~~of the tuition award as established in the Budget Act of 2000, or~~
6 ~~the amount as adjusted in subsequent annual budget acts, plus the~~
7 ~~amount of the access costs specified in Section 69435.~~

8 ~~(d) Commencing with the 2000-01 academic year, and each~~
9 ~~academic year thereafter, the Cal Grant C award shall be utilized~~
10 ~~only for occupational or technical training.~~

11 ~~(e) Commencing with the 2000-01 academic year, and each~~
12 ~~academic year thereafter, the Cal Grant T award shall be used only~~
13 ~~for one academic year of full-time attendance in a program of~~
14 ~~professional preparation that has been approved by the California~~
15 ~~Commission on Teacher Credentialing.~~

16 ~~(f) An institution of higher education in this state that~~
17 ~~participates in the Ortiz-Pacheco-Poochigian-Vasconcellos Cal~~
18 ~~Grant Program shall not reduce its level of per capita need-based~~
19 ~~institutional financial aid to undergraduate students, excluding~~
20 ~~loans, below the total level awarded in the 2000-01 academic year.~~

21 ~~(g) The implementation of the policy set forth in this section~~
22 ~~shall maintain a balance between the state's policy goals of~~
23 ~~ensuring student access to and selection of an institution of higher~~
24 ~~education for students with financial need and academic merit.~~

25 ~~(h) It is the policy of the State of California that the~~
26 ~~Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program~~
27 ~~supplement the federal Pell Grant program.~~

28 ~~(i) An award under the Ortiz-Pacheco-Poochigian-Vasconcellos~~
29 ~~Cal Grant Program shall not guarantee admission to an institution~~
30 ~~of higher education or admission to a specific campus or program.~~

31 ~~SEC. 2. Section 69435 of the Education Code is amended to~~
32 ~~read:~~

33 ~~69435. (a) A Cal Grant B award shall be used only for tuition,~~
34 ~~student fees, and access costs in a for-credit instructional program~~
35 ~~that is not less than one academic year in length. Each student who~~
36 ~~meets the requirements for a Cal Grant B award as set forth in this~~
37 ~~article shall be guaranteed to receive a Cal Grant B award. The~~
38 ~~determination of the amount of any individual tuition and fee award~~
39 ~~under this article depends on the cost of tuition or fees, or both, at~~
40 ~~the qualifying institution at which the student is enrolled.~~

1 ~~(b) An award for access costs under this article shall be in an~~
2 ~~annual amount not to exceed one thousand five hundred fifty-one~~
3 ~~dollars (\$1,551). This amount may be adjusted in the annual Budget~~
4 ~~Act. In no event shall the amount of the total award under this~~
5 ~~article in any year exceed the applicant's calculated financial need.~~

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