

AMENDED IN SENATE JUNE 26, 2014
AMENDED IN SENATE MAY 29, 2014
AMENDED IN ASSEMBLY MAY 24, 2013
AMENDED IN ASSEMBLY APRIL 22, 2013
AMENDED IN ASSEMBLY APRIL 2, 2013
AMENDED IN ASSEMBLY MARCH 21, 2013
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1318

Introduced by Assembly Member Bonilla

February 22, 2013

An act to amend Section 66021.2 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1318, as amended, Bonilla. Student financial aid: Cal Grant Program.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions, as defined.

This bill would add provisions that would set the maximum Cal Grant award levels for students attending nonpublic postsecondary educational

institutions that are accredited by the Western Association of Schools and Colleges, commencing with the 2015–16 award year. The bill would require, as a condition for the funding of Cal Grant maximum awards to its students, that a nonpublic postsecondary educational institution accredited by the Western Association of Schools and Colleges submit specified performance metrics related to its students in a cumulative report generated by the Association of Independent California Colleges and Universities to the Legislature, the Governor, the Department of Finance, and the Legislative Analyst’s Office on or before March 15, 2015, and on or before March 15 of each year thereafter. *The bill would require the form and content of these metrics to be determined by the Association of Independent California Colleges and Universities, in collaboration with the public segments of higher education. The bill also would require that the collection, reporting, and housing of data for this report be conducted both in a manner that ensures data integrity and security and that is in conformance with any federal and state laws on the confidentiality of student information.*

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. The Legislature finds and declares all of the
- 2 following:
- 3 (a) California relies on private colleges and universities
- 4 accredited by the Western Association of Schools and Colleges
- 5 (WASC) to help meet the state’s higher education needs.
- 6 (b) The maximum award for Cal Grant students attending
- 7 WASC accredited private colleges and universities has not
- 8 increased since 1999:
- 9 (1) It was cut by almost 15 percent for the 2005–06 and 2006–07
- 10 cohorts.
- 11 (2) It was cut by 5 percent for new and renewal grants for the
- 12 2012–13 award year, and is scheduled to be cut by an additional
- 13 1.5 percent in the 2013–14 award year and 11 percent in the
- 14 2014–15 award year for new awardees.
- 15 (3) Even if the maximum award had not been cut, its value
- 16 would have decreased by over 37 percent due to inflation since
- 17 2000.

1 (4) The proposed maximum award for the 2014–15 award year
2 will be the lowest amount California has invested in academically
3 qualified, financially deserving students that attend private WASC
4 accredited institutions since the 1997–98 academic year.

5 (c) The Cal Grant Program effectively and successfully helps
6 California’s private colleges and universities to recruit, retain, and
7 graduate historically underrepresented students from low-income
8 families.

9 (d) Predictable and stable funding formulas and eligibility
10 requirements ensure that the state maximizes its investment and
11 allows families to plan and pay for higher education.

12 (e) Legislative action is needed to adopt a reasonable formula
13 that supports predictability and supports parity for students at
14 private colleges.

15 SEC. 2. Section 66021.2 of the Education Code is amended to
16 read:

17 66021.2. Consistent with the state’s historic commitment to
18 provide educational opportunity by ensuring both student access
19 to and selection of an institution of higher education for students
20 with financial need, the long-term policy of the
21 Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program
22 established pursuant to Chapter 1.7 (commencing with Section
23 69430) of Part 42 shall be as follows:

24 (a) Commencing with the 2001–02 academic year and every
25 year thereafter, an applicant for a Cal Grant A or B award shall
26 receive an award that is not in excess of the financial need amount
27 determined by the Student Aid Commission pursuant to Section
28 69432.9 if he or she complies with all of the following
29 requirements:

30 (1) Demonstrates financial need under the criteria adopted
31 pursuant to Section 69432.9.

32 (2) Attains a grade point average, as defined in Section 69432.7,
33 meeting the requirements of Chapter 1.7 (commencing with Section
34 69430) of Part 42.

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

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

1 (2) The maximum Cal Grant B award for a student to which
2 this subdivision is applicable shall equal the mandatory systemwide
3 fees in the segment attended by the student, except for community
4 college students who receive waivers from the Board of Governors
5 of the California Community Colleges, plus the access award
6 calculated as specified in Article 3 (commencing with Section
7 69435) of Chapter 1.7 of Part 42, except that in the first year of
8 enrollment in a qualifying institution, the maximum award shall
9 be only for the amount of the access award.

10 (c) The maximum Cal Grant awards for students attending
11 nonpublic institutions shall be as follows:

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

15 (2) The maximum Cal Grant B award shall equal the amount
16 of the tuition award as established in the Budget Act of 2000, or
17 the amount as adjusted in subsequent annual budget acts, plus the
18 amount of the access costs specified in Section 69435, except that,
19 in the first year of enrollment in a qualifying institution, the
20 maximum award shall be only for the amount of the access award.

21 (3) Notwithstanding paragraphs (1) and (2), and notwithstanding
22 Section 69432:

23 (A) The maximum Cal Grant award for a student attending a
24 nonpublic postsecondary educational institution accredited by the
25 Western Association of Schools and Colleges shall be set and
26 maintained at 75 percent of the base funding per Cal Grant student
27 at the University of California and the California State University,
28 as determined by the average General Fund support per student at
29 the California State University and the University of California,
30 plus the maximum Cal Grant award at those segments each
31 multiplied by the percentage of California resident full-time
32 equivalent students at both segments who attend the respective
33 segment, except as provided in clauses (i) to (iv), inclusive.

34 (i) For the 2015–16 award year, the maximum award shall be
35 70 percent of the amount calculated pursuant to subparagraph (A).

36 (ii) For the 2016–17 award year, the maximum award shall be
37 80 percent of the amount calculated pursuant to subparagraph (A).

38 (iii) For the 2017–18 award year, the maximum award shall be
39 90 percent of the amount calculated pursuant to subparagraph (A).

1 (iv) For the 2018–19 award year and each award year thereafter,
2 the maximum award shall be 100 percent of the amount calculated
3 pursuant to subparagraph (A).

4 (B) As a condition for the funding of Cal Grant maximum
5 awards to its students pursuant to subparagraph (A), a nonpublic
6 postsecondary educational institution accredited by the Western
7 Association of Schools and Colleges shall submit performance
8 metrics *to the Association of Independent California Colleges and*
9 *Universities (AICCU). The AICCU, in collaboration with the public*
10 *segments of higher education, shall determine the form and content*
11 *of these metrics, to ensure data are defined, collected, and reported*
12 *in a consistent and comparable manner, and to ensure data*
13 *integrity. The AICCU shall provide that information in a*
14 *cumulative report generated by the Association of Independent*
15 *California Colleges and Universities to the Legislature, the*
16 *Governor, the Department of Finance, and the Legislative Analyst's*
17 *Office on or before March 15, 2015, and, notwithstanding Section*
18 *10231.5 of the Government Code, on or before March 15 of each*
19 *year thereafter. The report shall be submitted to the Legislature in*
20 *compliance with Section 9795 of the Government Code, and shall*
21 *include all of the following data with respect to each participating*
22 *nonpublic postsecondary educational institution:*

23 (i) The number of undergraduate students enrolled in that
24 institution.

25 (ii) The percentage of undergraduate students of that institution
26 who are California residents.

27 (iii) The number of graduate students enrolled in that institution.

28 (iv) The number of transfer students from the California
29 Community Colleges enrolled in that institution.

30 (v) The percentage of undergraduate students of that institution
31 who are transfer students from the California Community Colleges.

32 (vi) The number of Pell Grant recipients enrolled in that
33 institution.

34 (vii) The percentage of undergraduate students of that institution
35 who are Pell Grant recipients.

36 (viii) The number of Cal Grant recipients enrolled in that
37 institution. With respect to those Cal Grant recipients:

38 (I) Their ethnic composition, expressed in percentages.

39 (II) The median amount of institutional aid provided to them.

- 1 (ix) The percentage of undergraduate students of that institution
2 who are Cal Grant recipients.
- 3 (x) The four- and six-year graduation rates for freshman entrants
4 of that institution:
- 5 (I) Disaggregated by Pell Grant recipients.
6 (II) Disaggregated by Cal Grant recipients.
- 7 (xi) The two- and three-year graduation rates for transfer
8 students from the California Community Colleges:
- 9 (I) Disaggregated by Pell Grant recipients.
10 (II) Disaggregated by Cal Grant recipients.
- 11 (xii) The number of degrees awarded annually by the institution
12 in total and in each of the following categories:
- 13 (I) Undergraduate students who first enrolled in the institution
14 as freshmen.
15 (II) Undergraduate students who first enrolled in the institution
16 as transfer students.
17 (III) Graduate students.
18 (IV) Pell Grant recipients.
19 (V) The number of degrees or credentials awarded in
20 health-related fields, teacher preparation, and the fields of science,
21 technology, engineering, and mathematics (STEM).
- 22 *(d) The collection, reporting, and housing of data for the report*
23 *prepared pursuant to subparagraph (B) shall be conducted both*
24 *in a manner that ensures data integrity and security and that is in*
25 *conformance with any federal and state laws on the confidentiality*
26 *of student information.*
- 27 ~~(e)~~
- 28 *(e) Commencing with the 2000–01 academic year, and each*
29 *academic year thereafter, the Cal Grant C award shall be utilized*
30 *only for occupational or technical training.*
- 31 ~~(e)~~
- 32 *(f) Commencing with the 2000–01 academic year, and each*
33 *academic year thereafter, the Cal Grant T award shall be used only*
34 *for one academic year of full-time attendance in a program of*
35 *professional preparation that has been approved by the California*
36 *Commission on Teacher Credentialing.*
- 37 ~~(f)~~
- 38 *(g) An institution of higher education in this state that*
39 *participates in the Ortiz-Pacheco-Poochigian-Vasconcellos Cal*
40 *Grant Program shall not reduce its level of per capita need-based*

1 institutional financial aid to undergraduate students, excluding
2 loans, below the total level awarded in the 2000–01 academic year.

3 ~~(g)~~

4 (h) The implementation of the policy set forth in this section
5 shall maintain a balance between the state’s policy goals of
6 ensuring student access to and selection of an institution of higher
7 education for students with financial need and academic merit.

8 ~~(h)~~

9 (i) It is the policy of the State of California that the
10 Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program
11 supplement the federal Pell Grant ~~program~~. *Program*.

12 ~~(i)~~

13 (j) An award under the Ortiz-Pacheco-Poochigian-Vasconcellos
14 Cal Grant Program shall not guarantee admission to an institution
15 of higher education or admission to a specific campus or program.

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