

**ACADEMIC SENATE
OF
THE CALIFORNIA STATE UNIVERSITY**

AS-2752-06/FGA
May 4-5, 2006

Support for AB 2813 (Student Financial Aid)

RESOLVED: That the Academic Senate of the California State University (CSU) strongly support passage of AB 2813 (Student Financial Aid), which expands the Cal Grant program in ways that serve to further student access to the CSU.

RATIONALE: AB 2813 (De La Torre) expands the current Cal Grant program in ways that will increase access to the CSU for students that might otherwise find it difficult or impossible to afford. Specifically, the bill would raise the age limit from 24 to 27 years in the California Community College Transfer Entitlement Program (CCCTEP) for students in any of the following categories:

- a) An orphan or ward of the court*
- b) A veteran of the US Armed Forces*
- c) A married person*
- d) A person with dependents other than a spouse*
- e) A person for whom a financial aid administrator makes a documented determination of independence*

This provision will benefit students of the CSU, many of whom are older (and thus ineligible under the current lower age limit of 24 years) and/or married and with children or other dependents.

In addition, AB2813 will eliminate the restriction in the Cal Grant B (CGB) program that, in the first year of enrollment, denies tuition benefits and provides only a stipend for "access costs" (i.e., costs for books, supplies, living expenses and transportation to 98% of recipients). Under AB 2813, first year benefits also will be allowed to count toward tuition costs.

Approved Unanimously – May 4-5, 2006

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL**No. 2813****Introduced by Assembly Member De La Torre**

February 24, 2006

An act to amend Sections 66021.2, 69435, 69436, 69437, and 69437.6 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 2813, as introduced, De La Torre. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act.

(1) Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, 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.

Existing law provides that the maximum Cal Grant B award equals the mandatory systemwide fees in the segment attended by the student, except for community college students who receive waivers from the Board of Governors of the California Community Colleges, plus an access award calculated as specified. Existing law also provides that, in a student's first year of enrollment in a qualifying institution, the maximum Cal Grant B award is only for the amount of the access award.

This bill would delete the requirement that, in a student's first year of enrollment in a qualifying institution, the maximum Cal Grant B award is only for the amount of the access award.

(2) Under the existing California Community College Transfer Cal Grant Entitlement Program, the eligibility criteria include a requirement that the student not meet the federal definition of independent student, with the exception of students who are 24 years old or older and who are orphans or wards of the court, veterans of the United States Armed Forces, married, have dependents other than a spouse, or for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

This bill would raise the age limit for the exceptions listed above from 24 years old or older to 27 years old or older.

(3) Existing law limits the number of Competitive Cal Grant A and B awards that may be granted annually to 22,500.

This bill would increase the annual limit of Competitive Cal Grant A and B awards to 45,000.

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 66021.2 of the Education Code is
2 amended to read:

3 66021.2. Consistent with the state's historic commitment to
4 provide educational opportunity by ensuring both student access
5 to and selection of an institution of higher education for students
6 with financial need, the long-term policy of the
7 Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Program
8 established pursuant to Chapter 1.7 (commencing with Section
9 69430) of Part 42 shall be as follows:

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

16 (1) Demonstrates financial need under the criteria adopted
17 pursuant to Section 69432.9.

18 (2) Attains a grade point average, as defined in Section
19 69432.7, meeting the requirements of Chapter 1.7 (commencing
20 with Section 69430) of Part 42.

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

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

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

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

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

22 (2) The maximum Cal Grant B award shall equal the amount
23 of the tuition award as established in the Budget Act of 2000, or
24 the amount as adjusted in subsequent annual budget acts, plus the
25 amount of the access costs specified in Section 69435, except
26 that, in the first year of enrollment in a qualifying institution, the
27 maximum award shall be only for the amount of the access
28 award.

29 (d) Commencing with the 2000–01 academic year, and each
30 academic year thereafter, the Cal Grant C award shall be utilized
31 only for occupational or technical training.

32 (e) Commencing with the 2000–01 academic year, and each
33 academic year thereafter, the Cal Grant T award shall be used
34 only for one academic year of full-time attendance in a program
35 of professional preparation that has been approved by the
36 California Commission on Teacher Credentialing.

37 (f) An institution of higher education in this state that
38 participates in the Ortiz-Pacheco-Poochigian-Vasconcellos Cal
39 Grant Program shall not reduce its level of per capita need-based
40 institutional financial aid to undergraduate students, excluding

1 loans, below the total level awarded in the 2000–01 academic
2 year.

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

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

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

15 SEC. 2. Section 69435 of the Education Code is amended to
16 read:

17 69435. (a) (1) Commencing with the 2001–02 academic
18 year, and each academic year thereafter, a Cal Grant B award
19 shall be used only for tuition, student fees, and access costs in a
20 for-credit instructional program that is not less than one academic
21 year in length.

22 (2) ~~The commission shall award access grants in a student’s~~
23 ~~first academic year. In subsequent years, the award shall include~~
24 an additional amount to pay tuition or fees, or both, to attend
25 college at a public or private four-year college or university or
26 other qualifying institution for all Cal Grant B awards pursuant to
27 paragraph (2) of subdivision (b) of Section 66021.2. In no event
28 shall the total award in any year exceed the applicant’s calculated
29 financial need.

30 (3) Not more than 2 percent of new Cal Grant B recipients
31 enrolling for the first time in an institution of postsecondary
32 education shall be eligible for payments for tuition or fees, or
33 both, in their first academic year of attendance. The commission
34 shall adopt regulations specifying the criteria used to determine
35 which applicants, if any, receive both tuition and fees plus the
36 access grant in the first year of enrollment. Priority shall be given
37 to students with the lowest expected family contribution pursuant
38 to Section 69432.7 and the highest level of academic merit.

39 (b) An award for access costs under this article shall be in an
40 annual amount not to exceed one thousand five hundred fifty-one

1 dollars (\$1,551). This amount may be adjusted in the annual
2 Budget Act.

3 SEC. 3. Section 69436 of the Education Code is amended to
4 read:

5 69436. (a) Commencing with the 2001–02 academic year,
6 and each academic year thereafter, a student who was not
7 awarded a Cal Grant A or B award pursuant to Article 2
8 (commencing with Section 69434) or Article 3 (commencing
9 with Section 69435) at the time of his or her high school
10 graduation but, at the time of transfer from a California
11 community college to a qualifying baccalaureate program, meets
12 all of the criteria set forth in subdivision (b), shall be entitled to a
13 Cal Grant A or B award.

14 (b) Any California resident transferring from a California
15 community college to a qualifying institution that offers a
16 baccalaureate degree is entitled to receive, and the commission
17 shall award, a Cal Grant A or B award depending on the
18 eligibility determined pursuant to subdivision (c), if all of the
19 following criteria are met:

20 (1) A complete official financial aid application has been
21 submitted or postmarked pursuant to Section 69432.9, no later
22 than the March 2 of the year immediately preceding the award
23 year.

24 (2) The student demonstrates financial need pursuant to
25 Section 69433.

26 (3) The student has earned a community college grade point
27 average of at least 2.4 on a 4.0 scale and is eligible to transfer to
28 a qualifying institution that offers a baccalaureate degree.

29 (4) The student's household has an income and asset level not
30 exceeding the limits set forth in Section 69432.7.

31 (5) The student is pursuing a baccalaureate degree that is
32 offered by a qualifying institution.

33 (6) He or she is enrolled at least part-time.

34 (7) The student meets the general Cal Grant eligibility
35 requirements set forth in Article 1 (commencing with Section
36 69430).

37 (8) The student does not meet the federal definition of an
38 independent student, as set forth in subsection (d) of Section
39 1087vv of Title 20 of the United States Code, with the exception
40 of:

1 (A) A student who is an orphan or a ward of the court and who
2 will not be ~~24~~ 27 years old or older by December 31 of the award
3 year.

4 (B) A student who is a veteran of the United States Armed
5 Forces and who will not be ~~24~~ 27 years old or older by December
6 31 of the award year.

7 (C) A student who is a married person and who will not be ~~24~~
8 27 years old or older by December 31 of the award year.

9 (D) A student who will not be ~~24~~ 27 years old or older by
10 December 31 of the award year and who has dependents other
11 than a spouse.

12 (E) A student who will not be ~~24~~ 27 years old or older by
13 December 31 of the award year and for whom a financial aid
14 administrator makes documented determination of independence
15 by reason of other unusual circumstances.

16 (9) The student graduated from a California high school or its
17 equivalent during or after the 2000–01 academic year.

18 (c) The amount and type of the award pursuant to this article
19 shall be determined as follows:

20 (1) For applicants with income and assets at or under the Cal
21 Grant A limits, the award amount shall be the amount established
22 pursuant to Article 2 (commencing with Section 69434).

23 (2) For applicants with income and assets at or under the Cal
24 Grant B limits, the award amount shall be the amount established
25 pursuant to Article 3 (commencing with Section 69435).

26 SEC. 4. Section 69437 of the Education Code is amended to
27 read:

28 69437. (a) Commencing with the 2001–02 academic year,
29 and each academic year thereafter, there shall be established the
30 Competitive Cal Grant A and B award program for students who
31 did not receive a Cal Grant A or B entitlement award pursuant to
32 Article 2 (commencing with Section 69434), Article 3
33 (commencing with Section 69435), or Article 4 (commencing
34 with Section 69436). Awards made under this section are not
35 entitlements. The submission of an application by a student under
36 this section shall not entitle that student to an award. The
37 selection of students under this article shall be determined
38 pursuant to subdivision (c) and other relevant criteria established
39 by the commission.

1 (b) A total of ~~22,500~~ 45,000 Cal Grant A and B awards shall
2 be granted annually under this article on a competitive basis for
3 applicants who meet the general eligibility criteria established in
4 Article 1 (commencing with Section 69430) and the priorities
5 established by the commission pursuant to subdivision (c).

6 (1) Fifty percent of the awards referenced in this subdivision
7 are available to all students, including California community
8 college students, who meet the financial need and academic
9 requirements established pursuant to this article. A student
10 enrolling at a qualifying baccalaureate degree granting institution
11 shall apply by the March 2 deadline. A California community
12 college student is eligible to apply at the March 2 or the
13 September 2 deadline.

14 (2) Fifty percent of the awards referenced in this subdivision
15 are reserved for students who will be enrolled at a California
16 community college. The commission shall establish a second
17 application deadline of September 2 for community college
18 students to apply for these awards effective with the fall term or
19 semester of the 2001–02 academic year.

20 (3) If any awards are not distributed pursuant to paragraphs (1)
21 and (2) upon initial allocation of the awards under this article, the
22 commission shall make awards to as many eligible students as
23 possible, beginning with the students with the lowest expected
24 family contribution and highest academic merit, consistent with
25 the criteria adopted by the commission pursuant to subdivision
26 (c), as practicable without exceeding an annual cumulative total
27 of ~~22,500~~ 45,000 awards.

28 (c) (1) On or before February 1, 2001, acting pursuant to a
29 public hearing process that is consistent with the Bagley-Keene
30 Open Meeting Act (Article 9 (commencing with Section 11120)
31 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
32 Code), the commission shall establish selection criteria for Cal
33 Grant A and B awards under the competitive program that give
34 special consideration to disadvantaged students, taking into
35 consideration those financial, educational, cultural, language,
36 home, community, environmental, and other conditions that
37 hamper a student's access to, and ability to persist in,
38 postsecondary education programs.

39 (2) Additional consideration shall be given to each of the
40 following:

1 ~~(A) Students who graduated from high school or its equivalent~~
2 ~~prior to the 2000–01 academic year. This subparagraph shall not~~
3 ~~be applicable after the 2004–05 academic year.~~

4 ~~(B)~~

5 (A) Students pursuing Cal Grant B awards who reestablish
6 their grade point averages.

7 ~~(C)~~

8 (B) Students who did not receive awards pursuant to Article 2
9 (commencing with Section 69434), Article 3 (commencing with
10 Section 69435), or Article 4 (commencing with Section 69436).

11 (d) All other students who meet the eligibility requirements
12 pursuant to Article 1 (commencing with Section 69430) are
13 eligible to compete for an award pursuant to this article.

14 SEC. 5. Section 69437.6 of the Education Code is amended to
15 read:

16 69437.6. (a) An applicant competing for an award under this
17 article shall meet all the requirements of Article 1 (commencing
18 with Section 69430).

19 (b) To compete for a competitive Cal Grant A award, an
20 applicant shall, at a minimum, meet all of the requirements of
21 Article 2 (commencing with Section 69434), with the exception
22 of paragraphs (1) and (8) of subdivision (b) of Section 69434.
23 However, in lieu of meeting the grade point average requirement
24 set forth in paragraph (3) of subdivision (b) of Section 69434, an
25 applicant may submit a community college or college grade point
26 average of at least 2.4 on a 4.0 scale.

27 (c) To compete for a competitive Cal Grant B award, an
28 applicant shall, at a minimum, meet all of the requirements of
29 Article 3 (commencing with Section 69435), with the exception
30 of paragraphs (1) and (8) of subdivision (a) of Section 69435.3.
31 However, in lieu of meeting the grade point average
32 requirements of paragraph (3) of subdivision (a) of Section
33 69435.3, a student may reestablish his or her grade point average
34 by completing at least 16 cumulative units of credit for academic
35 coursework at an accredited California community college, as
36 defined by the commission, by regulation, with at least a 2.0
37 community college grade point average.

38 (d) To compete for a competitive California Community
39 College Transfer Cal Grant Award, an applicant shall, at a
40 minimum, meet the requirements of Article 4 (commencing with

1 Section 69436), with the exception of paragraphs (8) and (9) of
2 subdivision (b) of Section 69436.

3 (e) All other competitors shall, at a minimum, comply with all
4 of the requirements of subdivision (b) of Section 69432.9.

5 (f) An individual selected for a Cal Grant A award who enrolls
6 in a California community college may elect to have the award
7 held in reserve for him or her for a period not to exceed two
8 academic years, except that the commission may extend the
9 period in which his or her award may be held in reserve for up to
10 three academic years if, in the commission's judgment, the rate
11 of academic progress has been as rapid as could be expected for
12 the personal and financial conditions that the student has
13 encountered. The commission shall, in this case, hold the award
14 in reserve for the additional year. Upon receipt of a request to
15 transfer the award to a tuition or fee charging qualifying
16 institution, the individual shall be eligible to receive the Cal
17 Grant A award previously held in reserve if, at the time of the
18 request, he or she meets all of the requirements of this article.
19 Upon receipt of the request, the commission shall reassess the
20 financial need of the award recipient. The commission may
21 prescribe the forms and procedures to be utilized for the purposes
22 of this section. A recipient's years of eligibility for payment of
23 benefits shall be based upon his or her grade level at the time the
24 award is transferred to the tuition or fee charging qualifying
25 institution. Any award so held in reserve shall only be counted
26 once toward the ~~22,500~~ 45,000 awards authorized by this article.