

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 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 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 2014–15 award year. The bill would provide that a nonpublic postsecondary educational institution accredited

by the Western Association of Schools and Colleges would be deemed a qualifying institution if the total amount of institutional aid, as defined, provided to California resident students by that institution, in any award year, is no less than 50% of the total Cal Grant awards received by their students, except for institutions meeting prescribed conditions.

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 an additional 1.5
13 percent in the 2013–14 award year and 11 percent in the 2014–15
14 award year for new awardees.

15 (3) Even if the maximum award had not been cut, its value
16 would have decreased by over 30 percent due to inflation.

17 (4) In inflation-adjusted dollars, the maximum award for the
18 2014–15 award year will be the lowest amount California has
19 invested in academically qualified, financially deserving students
20 that attend private WASC accredited institutions.

21 (c) The Cal Grant program effectively and successfully helps
22 California’s private colleges and universities to recruit, retain, and
23 graduate historically underrepresented students from low-income
24 families.

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

28 (e) Legislative action is needed to adopt a reasonable formula
29 that supports predictability and supports parity for students at
30 private colleges.

1 SEC. 2. Section 66021.2 of the Education Code is amended to
2 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-Poochigian-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 amount
13 determined by the Student Aid Commission pursuant to Section
14 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 69432.7,
19 meeting the requirements of Chapter 1.7 (commencing with Section
20 69430) of Part 42.

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

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

26 (2) The maximum Cal Grant B award for a student to which
27 this subdivision is applicable shall equal the mandatory systemwide
28 fees in the segment attended by the student, except for community
29 college students who receive waivers from the Board of Governors
30 of the California Community Colleges, plus the access award
31 calculated as specified in Article 3 (commencing with Section
32 69435) of Chapter 1.7 of Part 42, except that in the first year of
33 enrollment in a qualifying institution, the maximum award shall
34 be only for the amount of the access award.

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

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

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

7 (3) Notwithstanding paragraphs (1) and (2), and notwithstanding
8 Section 69432:

9 (A) The maximum Cal Grant award for a student attending a
10 nonpublic postsecondary educational institution accredited by the
11 Western Association of Schools and Colleges shall be set and
12 maintained at ~~80~~ 75 percent of the base funding per Cal Grant
13 student at the University of California and the California State
14 University, as determined by the average state support per student
15 ~~plus the average Cal Grant award for the University of California~~
16 ~~and the California State University General Fund support per~~
17 ~~student at the California State University and the University of~~
18 ~~California, plus the maximum Cal Grant award at those segments~~
19 ~~each multiplied by the percentage of California resident full-time~~
20 ~~equivalent students at both segments who attend the respective~~
21 ~~segment, except as provided in clauses (i) to (iv), inclusive.~~

22 (i) For the 2014–15 award year, the maximum award shall be
23 70 percent of the amount calculated pursuant to subparagraph (A).

24 (ii) For the 2015–16 award year, the maximum award shall be
25 80 percent of the amount calculated pursuant to subparagraph (A).

26 (iii) For the 2016–17 award year, the maximum award shall be
27 90 percent of the amount calculated pursuant to subparagraph (A).

28 (iv) For the 2017–18 award year and each award year thereafter,
29 the maximum award shall be 100 percent of the amount calculated
30 pursuant to subparagraph (A).

31 (B) A nonpublic postsecondary educational institution accredited
32 by the Western Association of Schools and Colleges shall be
33 deemed a qualifying institution if the total amount of institutional
34 aid provided to California resident students by that institution, in
35 any award year, is no less than 50 percent of the total Cal Grant
36 awards received by its students, unless that institution has fewer
37 than 50 students receiving Cal Grant awards or charges an annual
38 tuition that is no more than 50 percent of the average of the annual
39 tuition charged by all institutions to which this subparagraph is
40 applicable.

1 ~~(C) As used in this paragraph:~~

2 ~~(i) “Average state support per student” means the total General~~
3 ~~Fund support for the University of California and the California~~
4 ~~State University divided by the number of California resident~~
5 ~~full-time equivalent students for each four-year public segment.~~

6 ~~(ii) “Institutional~~

7 ~~(C) As used in this paragraph, “institutional aid” includes~~
8 ~~scholarships and fellowships granted and funded by a~~
9 ~~postsecondary educational institution or by a department within~~
10 ~~that institution, and includes scholarships targeted to certain~~
11 ~~individuals based on, for example, state of residence, major field~~
12 ~~of study, or athletic team participation, for which the institution~~
13 ~~designates the recipient.~~

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

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

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

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

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

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