

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 ~~2014–15~~ 2015–16 award year. The bill would ~~provide~~ *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 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 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.*

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 ~~30~~ 37 percent due to inflation *since*
- 17 2000.
- 18 (4) ~~In inflation-adjusted dollars, the~~ *The proposed* maximum
- 19 award for the 2014–15 award year will be the lowest amount
- 20 California has invested in academically qualified, financially

1 deserving students that attend private WASC accredited institutions  
2 *since the 1997–98 academic year.*

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

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

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

13 SEC. 2. Section 66021.2 of the Education Code is amended to  
14 read:

15 66021.2. Consistent with the state’s historic commitment to  
16 provide educational opportunity by ensuring both student access  
17 to and selection of an institution of higher education for students  
18 with financial need, the long-term policy of the  
19 Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program  
20 established pursuant to Chapter 1.7 (commencing with Section  
21 69430) of Part 42 shall be as follows:

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

28 (1) Demonstrates financial need under the criteria adopted  
29 pursuant to Section 69432.9.

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

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

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

38 (2) The maximum Cal Grant B award for a student to which  
39 this subdivision is applicable shall equal the mandatory systemwide  
40 fees in the segment attended by the student, except for community

1 college students who receive waivers from the Board of Governors  
2 of the California Community Colleges, plus the access award  
3 calculated as specified in Article 3 (commencing with Section  
4 69435) of Chapter 1.7 of Part 42, except that in the first year of  
5 enrollment in a qualifying institution, the maximum award shall  
6 be only for the amount of the access award.

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

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

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

18 (3) Notwithstanding paragraphs (1) and (2), and notwithstanding  
19 Section 69432:

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

31 (i) For the ~~2014-15~~ 2015-16 award year, the maximum award  
32 shall be 70 percent of the amount calculated pursuant to  
33 subparagraph (A).

34 (ii) For the ~~2015-16~~ 2016-17 award year, the maximum award  
35 shall be 80 percent of the amount calculated pursuant to  
36 subparagraph (A).

37 (iii) For the ~~2016-17~~ 2017-18 award year, the maximum award  
38 shall be 90 percent of the amount calculated pursuant to  
39 subparagraph (A).

1 (iv) For the ~~2017–18~~ 2018–19 award year and each award year  
2 thereafter, the maximum award shall be 100 percent of the amount  
3 calculated pursuant to subparagraph (A).

4 ~~(B) A nonpublic postsecondary educational institution accredited~~  
5 ~~by the Western Association of Schools and Colleges shall be~~  
6 ~~deemed a qualifying institution if the total amount of institutional~~  
7 ~~aid provided to California resident students by that institution, in~~  
8 ~~any award year, is no less than 50 percent of the total Cal Grant~~  
9 ~~awards received by its students, unless that institution has fewer~~  
10 ~~than 50 students receiving Cal Grant awards or charges an annual~~  
11 ~~tuition that is no more than 50 percent of the average of the annual~~  
12 ~~tuition charged by all institutions to which this subparagraph is~~  
13 ~~applicable.~~

14 ~~(C) As used in this paragraph, “institutional aid” includes~~  
15 ~~scholarships and fellowships granted and funded by a~~  
16 ~~postsecondary educational institution or by a department within~~  
17 ~~that institution, and includes scholarships targeted to certain~~  
18 ~~individuals based on, for example, state of residence, major field~~  
19 ~~of study, or athletic team participation, for which the institution~~  
20 ~~designates the recipient.~~

21 *(B) As a condition for the funding of Cal Grant maximum*  
22 *awards to its students pursuant to subparagraph (A), a nonpublic*  
23 *postsecondary educational institution accredited by the Western*  
24 *Association of Schools and Colleges shall submit performance*  
25 *metrics in a cumulative report generated by the Association of*  
26 *Independent California Colleges and Universities to the*  
27 *Legislature, the Governor, the Department of Finance, and the*  
28 *Legislative Analyst’s Office on or before March 15, 2015, and,*  
29 *notwithstanding Section 10231.5 of the Government Code, on or*  
30 *before March 15 of each year thereafter. The report shall be*  
31 *submitted to the Legislature in compliance with Section 9795 of*  
32 *the Government Code, and shall include all of the following data*  
33 *with respect to each participating nonpublic postsecondary*  
34 *educational institution:*

35 *(i) The number of undergraduate students enrolled in that*  
36 *institution.*

37 *(ii) The percentage of undergraduate students of that institution*  
38 *who are California residents.*

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

- 1 (iv) *The number of transfer students from the California*  
2 *Community Colleges enrolled in that institution.*
- 3 (v) *The percentage of undergraduate students of that institution*  
4 *who are transfer students from the California Community Colleges.*
- 5 (vi) *The number of Pell Grant recipients enrolled in that*  
6 *institution.*
- 7 (vii) *The percentage of undergraduate students of that institution*  
8 *who are Pell Grant recipients.*
- 9 (viii) *The number of Cal Grant recipients enrolled in that*  
10 *institution. With respect to those Cal Grant recipients:*
- 11 (I) *Their ethnic composition, expressed in percentages.*
- 12 (II) *The median amount of institutional aid provided to them.*
- 13 (ix) *The percentage of undergraduate students of that institution*  
14 *who are Cal Grant recipients.*
- 15 (x) *The four- and six-year graduation rates for freshman*  
16 *entrants of that institution:*
- 17 (I) *Disaggregated by Pell Grant recipients.*
- 18 (II) *Disaggregated by Cal Grant recipients.*
- 19 (xi) *The two- and three-year graduation rates for transfer*  
20 *students from the California Community Colleges:*
- 21 (I) *Disaggregated by Pell Grant recipients.*
- 22 (II) *Disaggregated by Cal Grant recipients.*
- 23 (xii) *The number of degrees awarded annually by the institution*  
24 *in total and in each of the following categories:*
- 25 (I) *Undergraduate students who first enrolled in the institution*  
26 *as freshmen.*
- 27 (II) *Undergraduate students who first enrolled in the institution*  
28 *as transfer students.*
- 29 (III) *Graduate students.*
- 30 (IV) *Pell Grant recipients.*
- 31 (V) *The number of degrees or credentials awarded in*  
32 *health-related fields, teacher preparation, and the fields of science,*  
33 *technology, engineering, and mathematics (STEM).*
- 34 (d) *Commencing with the 2000–01 academic year, and each*  
35 *academic year thereafter, the Cal Grant C award shall be utilized*  
36 *only for occupational or technical training.*
- 37 (e) *Commencing with the 2000–01 academic year, and each*  
38 *academic year thereafter, the Cal Grant T award shall be used only*  
39 *for one academic year of full-time attendance in a program of*

1 professional preparation that has been approved by the California  
2 Commission on Teacher Credentialing.

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

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

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

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

O