

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY APRIL 25, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1364**

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**Introduced by Assembly Member Ting**

February 22, 2013

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An act to amend Section 69435 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1364, as amended, Ting. 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 and maximum levels for awards under these programs for participating students attending qualifying institutions. Existing law requires that a Cal Grant B award for access costs, as defined, is not to exceed \$1,551 annually. Existing law provides that this amount may be adjusted in the annual Budget Act.

This bill, commencing with the 2014–15 academic year, would require that the Cal Grant B access award be no less than ~~\$5,900~~ \$1,710, unless that amount exceeds the amount of the student's calculated financial need, as specified. The bill would require the award for access costs to

include the percentage increase, if any, in the California Consumer Price Index *for All Urban Consumers*, as specified. In the event of a decrease in the California Consumer Price Index, ~~no adjustment would be made to the minimum Cal Grant B access award under this bill~~ *Index for All Urban Consumers from the prior academic year, the award amount would remain at its most recent level, as specified.* The bill would delete the provision authorizing the adjustment of this amount in the annual Budget Act.

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 more than 2 percent of new Cal Grant B recipients  
 16 enrolling for the first time in an institution of postsecondary  
 17 education shall be eligible for payments for tuition or fees, or both,  
 18 in their first academic year of attendance. The commission shall  
 19 adopt regulations specifying the criteria used to determine which  
 20 applicants, if any, receive both tuition and fees plus the access  
 21 grant in the first year of enrollment. Priority shall be given to  
 22 students with the lowest expected family contribution pursuant to  
 23 Section 69432.7 and the highest level of academic merit.  
 24 (b) Commencing with the 2014–15 academic year:  
 25 (1) An award for access costs under this article shall be in an  
 26 annual amount no less than ~~five thousand nine hundred dollars~~  
 27 ~~(\$5,900)~~ *one thousand seven hundred ten dollars (\$1,710)*, unless

1 the award would exceed the amount of the student's calculated  
2 financial need, in which case the award amount shall equal the  
3 amount of the student's calculated financial need.

4 (2) The award for access costs shall include the percentage  
5 increase, if any, in the California Consumer Price Index *for All*  
6 *Urban Consumers* as calculated *and certified by the commission*  
7 *from data reported* by the Department of Industrial Relations. *No*  
8 *later than January 15, 2014, for the 2014–15 academic year, no*  
9 *later than September 1, 2014, for the 2015–16 academic year, and*  
10 *no later than September 1 of the year prior to each academic year*  
11 *thereafter, the commission shall calculate and certify the*  
12 *percentage change using the data from the two most recent June*  
13 *indices. In the event that the California Consumer Price Index*  
14 ~~*decreases in any year, no adjustment to the minimum award amount*~~  
15 ~~*will be made pursuant to this subdivision for All Urban Consumers*~~  
16 *decreases from the prior academic year, the award amount shall*  
17 *remain at its most recently certified level.*