

ASSEMBLY BILL

No. 1976

Introduced by Assembly Member Quirk-Silva

February 19, 2014

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1976, as introduced, Quirk-Silva. Student financial aid: Competitive Cal Grant A and B awards.

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. Existing law limits the number of Competitive Cal Grant A and B awards that may be granted in an academic year to 22,500.

This bill would increase to 50,000 the number of Competitive Cal Grant A and B awards that may be granted in an academic year, commencing with the 2015–16 academic year. The bill would authorize the commission to use data from the 3 award years immediately preceding an award year in order to estimate the maximum number of award offers that the commission may make without the number of acceptances exceeding 50,000. The bill would also authorize the commission to exceed the 50,000 award limit in an academic year when the number of acceptances exceeds 50,000, but would further require, immediately subsequent to an academic year when the number of awards

exceeds 50,000, that the commission reduce the number of awards made by the number by which the awards made in the previous academic year exceeded 50,000.

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 69437 of the Education Code is amended
2 to read:

3 69437. (a) Commencing with the 2001–02 academic year, and
4 each academic year thereafter, there shall be established the
5 Competitive Cal Grant A and B award program for students who
6 did not receive a Cal Grant A or B entitlement award pursuant to
7 Article 2 (commencing with Section 69434), Article 3
8 (commencing with Section 69435), or Article 4 (commencing with
9 Section 69436). Awards made under this section are not
10 entitlements. The submission of an application by a student under
11 this section shall not entitle that student to an award. The selection
12 of students under this article shall be determined pursuant to
13 subdivision (c) and other relevant criteria established by the
14 commission.

15 (b) ~~A(1)~~ *Commencing with the 2015–16 academic year, a total*
16 *of ~~22,500~~ 50,000 Cal Grant A and B awards shall be granted*
17 *annually under this article on a competitive basis for applicants*
18 *who meet the general eligibility criteria established in Article 1*
19 *(commencing with Section 69430) and the priorities established*
20 *by the commission pursuant to subdivision (c).*

21 ~~(1)~~

22 (2) Fifty percent of the awards referenced in this subdivision
23 are available to all students, including California community
24 college students, who meet the financial need and academic
25 requirements established pursuant to this article. A student
26 enrolling at a qualifying baccalaureate degree granting institution
27 shall apply by the March 2 deadline. A California community
28 college student is eligible to apply at the March 2 or the September
29 2 deadline.

30 ~~(2)~~

31 (3) Fifty percent of the awards referenced in this subdivision
32 are reserved for students who will be enrolled at a California

1 community college. The commission shall establish a second
2 application deadline of September 2 for community college
3 students to apply for these awards effective with the fall term or
4 semester of the 2001–02 academic year.

5 ~~(3)~~

6 (4) If any awards are not distributed pursuant to paragraphs (1)
7 and (2) upon initial allocation of the awards under this article, the
8 commission shall make awards to as many eligible students as
9 possible, beginning with the students with the lowest expected
10 family contribution and highest academic merit, consistent with
11 the criteria adopted by the commission pursuant to subdivision
12 (c), as practicable without exceeding an annual cumulative total
13 of ~~22,500~~ 50,000 awards.

14 (5) *In granting awards for an award year under this article, the*
15 *commission is authorized to use data from the three award years*
16 *immediately preceding that year in order to estimate the maximum*
17 *number of award offers that the commission may make without*
18 *the number of acceptances exceeding 50,000. Notwithstanding*
19 *paragraphs (1) to (4), inclusive, the commission may exceed the*
20 *50,000 award limit in an academic year when the number of*
21 *acceptances exceeds 50,000. In any academic year immediately*
22 *subsequent to an academic year when the number of awards*
23 *exceeds 50,000, the commission shall reduce the number of awards*
24 *made by the number by which the awards made in the previous*
25 *academic year exceeded 50,000.*

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

37 (2) Additional consideration shall be given to each of the
38 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) Students pursuing Cal Grant B awards who reestablish their
5 grade point averages.

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

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

12 SEC. 2. Section 69437.6 of the Education Code is amended to
13 read:

14 69437.6. (a) An applicant competing for an award under this
15 article shall meet all the requirements of Article 1 (commencing
16 with Section 69430).

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

25 (c) To compete for a competitive Cal Grant B award, an
26 applicant shall, at a minimum, meet all of the requirements of
27 Article 3 (commencing with Section 69435), with the exception
28 of paragraphs (1) and (8) of subdivision (a) of Section 69435.3.
29 However, in lieu of meeting the grade point average requirements
30 of paragraph (3) of subdivision (a) of Section 69435.3, a student
31 may do either of the following:

32 (1) Demonstrate attainment of a community college or college
33 grade point average of at least 2.0 on a 4.0 scale.

34 (2) Reestablish his or her grade point average by completing at
35 least 16 cumulative units of credit for academic coursework at an
36 accredited California community college, as defined by the
37 commission, by regulation, with at least a 2.0 community college
38 grade point average.

39 (d) To compete for a competitive California Community College
40 Transfer Cal Grant Award, an applicant shall, at a minimum, meet

1 the requirements of Article 4 (commencing with Section 69436),
2 with the exception of paragraphs (8) and (9) of subdivision (b) of
3 Section 69436.

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

6 (f) An individual selected for a Cal Grant A award who enrolls
7 in a California community college may elect to have the award
8 held in reserve for him or her for a period not to exceed two
9 academic years, except that the commission may extend the period
10 in which his or her award may be held in reserve for up to three
11 academic years if, in the commission's judgment, the rate of
12 academic progress has been as rapid as could be expected for the
13 personal and financial conditions that the student has encountered.
14 The commission shall, in this case, hold the award in reserve for
15 the additional year. Upon receipt of a request to transfer the award
16 to a tuition or fee charging qualifying institution, the individual
17 shall be eligible to receive the Cal Grant A award previously held
18 in reserve if, at the time of the request, he or she meets all of the
19 requirements of this article. Upon receipt of the request, the
20 commission shall reassess the financial need of the award recipient.
21 The commission may prescribe the forms and procedures to be
22 utilized for the purposes of this section. A recipient's years of
23 eligibility for payment of benefits shall be based upon his or her
24 grade level at the time the award is transferred to the tuition or fee
25 charging qualifying institution. Any award so held in reserve shall
26 only be counted once toward the ~~22,500~~ 50,000 awards authorized
27 by this article.