

AMENDED IN SENATE MAY 6, 2014  
AMENDED IN SENATE APRIL 21, 2014  
AMENDED IN SENATE MARCH 25, 2014

**SENATE BILL**

**No. 1028**

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**Introduced by Senator Jackson**  
(Coauthor: Assembly Member Williams)

February 14, 2014

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An act to amend Section 69439 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 1028, as amended, Jackson. Student financial aid: Cal Grant C awards.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant C program under the administration of the Student Aid Commission and establishes eligibility requirements for awards under this program. The act requires that a Cal Grant C award be used only for occupational or technical training, as defined, in a course of not less than 4 months. The act requires the commission, after consultation with state and federal agencies, to determine the areas of occupational or technical training for which Cal Grant C awards shall be awarded. Existing law also requires the Student Aid Commission to develop, and regularly review and update at least every 5 years, the areas of occupational or technical training for which students may utilize Cal Grant C awards and to give priority in granting the awards to students pursuing occupational or technical training in areas that meet specified criteria. The act requires the maximum award amount and total amount of funding for the Cal Grant C program to be determined

each year in the annual Budget Act. The act requires the number of the awards made each year to be the same as the number of awards made for the 2000–01 fiscal year. The act requires the commission to give priority in granting the awards to students pursuing occupational or technical training in areas that meet specified criteria.

This bill would revise and recast the act to, among other things, require the number of awards made each year to be at least the same number of awards made for the 2000–01 fiscal year and would require, if sufficient funds are available, the amount awarded to be not less than \$3,009, and not more than \$5,000, per award. The bill would require the commission to give special consideration to the social and economic situations of the students applying for the grants, giving additional weight to applicants facing specified challenges. In determining the individual award amounts, the bill would additionally require the commission to take into account the financial means available to the student to fund his or her course of study and costs of attendance. The bill would revise the criteria that areas of occupational or technical training are required to meet to be given priority for awards, as specified. The bill would require the commission, in consultation with specified entities, for purposes of the Cal Grant C program, to prioritize occupational training programs and industry clusters. The bill would require the commission to consult with specified public entities to develop a plan to publicize the grant award program to California's long-term unemployed to be used by those specified public entities when they come into contact with members of the population who are likely to be experiencing long-term unemployment and would require the commission to develop a plan to make students receiving awards aware of job search and placement services available through specified public entities. Because a local workforce investment board would be required to use the plan to publicize the grant award program for the long-term unemployed, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 69439 of the Education Code is amended  
2 to read:  
3 69439. (a) For the purposes of this section, the following terms  
4 have the following meanings:  
5 (1) “Career pathway” has the same meaning as set forth in  
6 Section 88620.  
7 (2) “Economic security” has the same meaning as set forth in  
8 Section 14005 of the Unemployment Insurance Code.  
9 (3) “Industry cluster” has the same meaning as set forth in  
10 Section 88620.  
11 (4) “Long-term unemployed” means, with respect to an award  
12 applicant, a person who has been unemployed for more than 26  
13 weeks at the time of submission to the commission of his or her  
14 application.  
15 (5) “Occupational or technical training” means that phase of  
16 education coming after the completion of a secondary school  
17 program and leading toward recognized occupational goals  
18 approved by the commission.  
19 (b) (1) A Cal Grant C award shall be utilized only for  
20 occupational or technical training in a course of not less than four  
21 months. There shall be, at least, the same number of Cal Grant C  
22 awards each year as were made in the 2000–01 fiscal year.  
23 (2) The maximum award amount and the total amount of funding  
24 shall be determined each year in the annual Budget Act, but, if  
25 sufficient funds are available, the annual award amount of Cal  
26 Grant C awards shall be no less than three thousand nine dollars  
27 (\$3,009) and no more than five thousand dollars (\$5,000) per  
28 award.  
29 (c) The commission may use criteria it deems appropriate in  
30 selecting students to receive grants for occupational or technical  
31 training and shall give special consideration to the social and  
32 economic situations of the students applying for these grants, giving  
33 additional weight to disadvantaged applicants, applicants who face  
34 economic hardship, and applicants who face particular barriers to

1 employment. Criteria to be considered for these purposes shall  
2 include, but are not limited to, all of the following:

3 (1) Family income and household size.

4 (2) Student's or the students' parent's household status,  
5 including whether the student is a single parent or child of a single  
6 parent.

7 (3) The employment status of the applicant and whether the  
8 applicant is unemployed, giving greater weight to the long-term  
9 unemployed.

10 (d) The Cal Grant C award recipients shall be eligible for  
11 renewal of their grants until they have completed their occupational  
12 or technical training in conformance with terms prescribed by the  
13 commission. A determination by the commission for a subsequent  
14 award year that the program under which a Cal Grant C award was  
15 initially awarded is no longer deemed to receive priority shall not  
16 affect an award recipient's renewal. In no case shall the grants  
17 exceed two calendar years.

18 (e) Cal Grant C awards may be used for institutional fees,  
19 charges, and other costs, including tuition, plus training-related  
20 costs, such as special clothing, local transportation, required tools,  
21 equipment, supplies, books, and living expenses. In determining  
22 the individual award amounts, the commission shall take into  
23 account the financial means available to the student to fund his or  
24 her course of study and costs of attendance as well as other state  
25 and federal programs available to the applicant.

26 (f) (1) To ensure alignment with the state's dynamic economic  
27 needs, the commission, in consultation with appropriate state and  
28 federal agencies, including the Economic and Workforce  
29 Development Division of the Office of the Chancellor of the  
30 California Community Colleges and the California Workforce  
31 Investment Board, shall identify areas of occupational and technical  
32 training for which students may utilize Cal Grant C awards. The  
33 commission, to the extent feasible, shall also consult with  
34 representatives of the state's leading competitive and emerging  
35 industry clusters, workforce professionals, and career technical  
36 educators, to determine which occupational training programs and  
37 industry clusters should be prioritized.

38 (2) (A) Except as provided in subparagraph (B), the areas of  
39 occupational and technical training developed pursuant to

1 paragraph (1) shall be regularly reviewed and updated at least  
2 every five years, beginning in 2012.

3 (B) By January 1, 2016, the commission shall update the priority  
4 areas of occupational and technical training.

5 (3) (A) The commission shall give priority in granting Cal  
6 Grant C awards to students pursuing occupational or technical  
7 training in areas that meet two of the following criteria pertaining  
8 to job quality:

9 (i) High employer need or demand for the specific skills offered  
10 in the program.

11 (ii) High employment growth in the occupational field or  
12 industry cluster for which the student is being trained.

13 (iii) High employment salary and wage projections for workers  
14 employed in the occupations for which they are being trained.

15 (iv) The occupation or training program is part of a  
16 well-articulated career pathway to a job providing economic  
17 security.

18 (B) At least one of two of the criteria to be met pursuant to  
19 subparagraph (A) shall be specified in clause (iii) or (iv) of that  
20 subparagraph.

21 (g) The commission shall determine areas of occupational or  
22 technical training that meet the criteria described in paragraph (3)  
23 of subdivision (f) in consultation with the Employment  
24 Development Department, the Economic and Workforce  
25 Development Division of the Office of the Chancellor of the  
26 California Community Colleges, and the California Workforce  
27 Investment Board using projections available through the Labor  
28 Market Information Data Library. The commission may supplement  
29 the analyses of the Employment Development Department's Labor  
30 Market Information Data Library with the labor market analyses  
31 developed by the Economic and Workforce Development Division  
32 of the Office of the Chancellor of the California Community  
33 Colleges and the California Workforce Investment Board, as well  
34 as the projections of occupational shortages and skills gap  
35 developed by industry leaders. The commission shall publish, and  
36 retain, on its Internet Web site a current list of the areas of  
37 occupational or technical training that meet the criteria described  
38 in paragraph (3) of subdivision (f), and update this list as necessary.

39 (h) The commission shall examine the graduation rates and job  
40 placement data of eligible programs. Commencing with the

1 2014–15 academic year, the commission shall give priority to Cal  
2 Grant C award applicants seeking to enroll in programs that rate  
3 high in graduation rates and job placement data.

4 (i) (1) The commission shall consult with the Employment  
5 Development Department, the Office of the Chancellor of the  
6 California Community Colleges, the California Workforce  
7 Investment Board, and the local workforce investment boards to  
8 develop a plan to publicize the existence of the grant award  
9 program to California’s long-term unemployed to be used by those  
10 consulting agencies when they come in contact with members of  
11 the population who are likely to be experiencing long-term  
12 unemployment.

13 (2) The commission shall consult with the Workforce Services  
14 Branch of the Employment Development Department, the Office  
15 of the Chancellor of the California Community Colleges, the  
16 California Workforce Investment Board, and the local workforce  
17 investment boards to develop a plan to make students receiving  
18 awards aware of job search and placement services available  
19 through the Employment Development Department and the local  
20 workforce investment boards.

21 (j) (1) Notwithstanding Section 10231.5 of the Government  
22 Code, the Legislative Analyst’s Office shall submit a report to the  
23 Legislature on the outcomes of the Cal Grant C program on or  
24 before April 1, 2015, and on or before April 1 of each  
25 odd-numbered year thereafter. This report shall include, but not  
26 necessarily be limited to, information on all of the following, with  
27 information on awards that are reserved for the long-term  
28 unemployed provided separately: *following*:

29 (A) The age, gender, and segment of attendance for recipients  
30 in two prior award years.

31 (B) The occupational and technical training program categories  
32 prioritized.

33 (C) The number and percentage of students who received  
34 selection priority as defined in paragraph (3) of subdivision (f).

35 (D) The extent to which recipients in these award years were  
36 successfully placed in jobs that meet local, regional, or state  
37 workforce needs.

38 (2) For the report due on or before April 1, 2015, the Legislative  
39 Analyst’s Office shall include data for two additional prior award  
40 years and shall compare the mix of occupational and technical

1 training programs and institutions in which Cal Grant C award  
2 recipients enrolled before and after implementation of subdivision  
3 (f).

4 (3) A report to be submitted pursuant to this subdivision shall  
5 be submitted in compliance with Section 9795 of the Government  
6 Code.

7 SEC. 2. If the Commission on State Mandates determines that  
8 this act contains costs mandated by the state, reimbursement to  
9 local agencies and school districts for those costs shall be made  
10 pursuant to Part 7 (commencing with Section 17500) of Division  
11 4 of Title 2 of the Government Code.

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