

AMENDED IN SENATE MAY 27, 2014
AMENDED IN SENATE MAY 6, 2014
AMENDED IN SENATE APRIL 21, 2014
AMENDED IN SENATE MARCH 25, 2014

SENATE BILL

No. 1028

Introduced by Senator Jackson
(Coauthor: Assembly Member Williams)

February 14, 2014

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 *in regard to Cal Grant C awards* 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 bill would specify that the local workforce investment boards are required to participate in the outreach efforts only to the extent that the those efforts are a part of their existing responsibilities under federal law.~~

~~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~~-no.

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 ~~(b) A Cal Grant C award shall be utilized only for occupational
30 or technical training in a course of not less than four months.
31 There shall be the same number of Cal Grant C awards each year~~

1 *as were made in the 2000–01 fiscal year. The maximum award*
2 *amount and the total amount of funding shall be determined each*
3 *year in the annual Budget Act.*

4 (c) The commission may use criteria it deems appropriate in
5 selecting students to receive grants for occupational or technical
6 training and shall give special consideration to the social and
7 economic situations of the students applying for these grants, giving
8 additional weight to disadvantaged applicants, applicants who face
9 economic hardship, and applicants who face particular barriers to
10 employment. Criteria to be considered for these purposes shall
11 include, but are not limited to, all of the following:

12 (1) Family income and household size.

13 (2) Student's or the students' parent's household status,
14 including whether the student is a single parent or child of a single
15 parent.

16 (3) The employment status of the applicant and whether the
17 applicant is unemployed, giving greater weight to the long-term
18 unemployed.

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

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

35 (f) (1) To ensure alignment with the state's dynamic economic
36 needs, the commission, in consultation with appropriate state and
37 federal agencies, including the Economic and Workforce
38 Development Division of the Office of the Chancellor of the
39 California Community Colleges and the California Workforce
40 Investment Board, shall identify areas of occupational and technical

1 training for which students may utilize Cal Grant C awards. The
2 commission, to the extent feasible, shall also consult with
3 representatives of the state’s leading competitive and emerging
4 industry clusters, workforce professionals, and career technical
5 educators, to determine which occupational training programs and
6 industry clusters should be prioritized.

7 (2) (A) Except as provided in subparagraph (B), the areas of
8 occupational and technical training developed pursuant to
9 paragraph (1) shall be regularly reviewed and updated at least
10 every five years, beginning in 2012.

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

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

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

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

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

23 (iv) The occupation or training program is part of a
24 well-articulated career pathway to a job providing economic
25 security.

26 (B) ~~At~~ *To receive priority pursuant to subparagraph (A), at*
27 ~~least one of two of the criteria to be met pursuant to subparagraph~~
28 ~~(A)~~ shall be specified in clause (iii) or (iv) of that subparagraph.

29 (g) The commission shall determine areas of occupational or
30 technical training that meet the criteria described in paragraph (3)
31 of subdivision (f) in consultation with the Employment
32 Development Department, the Economic and Workforce
33 Development Division of the Office of the Chancellor of the
34 California Community Colleges, and the California Workforce
35 Investment Board using projections available through the Labor
36 Market Information Data Library. The commission may supplement
37 the analyses of the Employment Development Department’s Labor
38 Market Information Data Library with the labor market analyses
39 developed by the Economic and Workforce Development Division
40 of the Office of the Chancellor of the California Community

1 Colleges and the California Workforce Investment Board, as well
2 as the projections of occupational shortages and skills gap
3 developed by industry leaders. The commission shall publish, and
4 retain, on its Internet Web site a current list of the areas of
5 occupational or technical training that meet the criteria described
6 in paragraph (3) of subdivision (f), and update this list as necessary.

7 (h) The commission shall examine the graduation rates and job
8 placement data of eligible programs. Commencing with the
9 2014–15 academic year, the commission shall give priority to Cal
10 Grant C award applicants seeking to enroll in programs that rate
11 high in graduation rates and job placement data.

12 (i) (1) The commission shall consult with the Employment
13 Development Department, the Office of the Chancellor of the
14 California Community Colleges, the California Workforce
15 Investment Board, and the local workforce investment boards to
16 develop a plan to publicize the existence of the grant award
17 program to California’s long-term unemployed to be used by those
18 consulting agencies when they come in contact with members of
19 the population who are likely to be experiencing long-term
20 unemployment. *The outreach plan shall use existing administrative*
21 *and service delivery processes making use of existing points of*
22 *contact with the long-term unemployed. The local workforce*
23 *investment boards are required to participate only to the extent*
24 *that the outreach efforts are a part of their existing responsibilities*
25 *under the federal Workforce Investment Act of 1998 (Public Law*
26 *105-220).*

27 (2) The commission shall consult with the Workforce Services
28 Branch of the Employment Development Department, the Office
29 of the Chancellor of the California Community Colleges, the
30 California Workforce Investment Board, and the local workforce
31 investment boards to develop a plan to make students receiving
32 awards aware of job search and placement services available
33 through the Employment Development Department and the local
34 workforce investment boards. *Outreach shall use existing*
35 *administrative and service delivery processes making use of*
36 *existing points of contact with the students. The local workforce*
37 *investment boards are required to participate only to the extent*
38 *that the outreach efforts are a part of their existing responsibilities*
39 *under the federal Workforce Investment Act of 1998 (Public Law*
40 *105-220).*

1 (j) (1) Notwithstanding Section 10231.5 of the Government
2 Code, the Legislative Analyst’s Office shall submit a report to the
3 Legislature on the outcomes of the Cal Grant C program on or
4 before April 1, 2015, and on or before April 1 of each
5 odd-numbered year thereafter. This report shall include, but not
6 necessarily be limited to, information on all of the following:

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

9 (B) The occupational and technical training program categories
10 prioritized.

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

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

16 (2) For the report due on or before April 1, 2015, the Legislative
17 Analyst’s Office shall include data for two additional prior award
18 years and shall compare the mix of occupational and technical
19 training programs and institutions in which Cal Grant C award
20 recipients enrolled before and after implementation of subdivision
21 (f).

22 (3) A report to be submitted pursuant to this subdivision shall
23 be submitted in compliance with Section 9795 of the Government
24 Code.

25 ~~SEC. 2.—If the Commission on State Mandates determines that~~
26 ~~this act contains costs mandated by the state, reimbursement to~~
27 ~~local agencies and school districts for those costs shall be made~~
28 ~~pursuant to Part 7 (commencing with Section 17500) of Division~~
29 ~~4 of Title 2 of the Government Code.~~