

AMENDED IN ASSEMBLY APRIL 14, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1361**

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**Introduced by Assembly Member Burke**

February 27, 2015

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An act to amend Sections 69436 and 69437.6 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1361, as amended, Burke. Student financial aid: Cal Grant Program: veterans.

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.

Under the California Community College Transfer Cal Grant Entitlement Program, a student who transfers from a California community college to a qualifying institution that offers a baccalaureate degree and who was not awarded a Cal Grant A or B Entitlement award, receives a Cal Grant A or B award if, at the time of the transfer, the student meets specified requirements, among which is a requirement that the student not be 28 years of age or older by December 31 of the award year.

This bill would provide that the requirement that a student not be 28 years or older by December 31 of the award year, as described above,

would not apply to a *current or* former member of the Armed Forces of the United States, as defined, who was seeking a Cal Grant A or B award under this provision, unless he or she *is a former member who* received a dishonorable or bad conduct discharge.

The bill would also make nonsubstantive and conforming changes to these provisions.

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 69436 of the Education Code is amended  
2 to read:
- 3 69436. (a) A student who was not awarded a Cal Grant A or  
4 B award pursuant to Article 2 (commencing with Section 69434)  
5 or Article 3 (commencing with Section 69435) at the time of his  
6 or her high school graduation but, at the time of transfer from a  
7 California community college to a qualifying baccalaureate  
8 program, meets all of the criteria set forth in subdivision (b), shall  
9 be entitled to a Cal Grant A or B award.
- 10 (b) Any California resident transferring from a California  
11 community college to a qualifying institution that offers a  
12 baccalaureate degree is entitled to receive, and the commission,  
13 or a qualifying institution pursuant to Article 8 (commencing with  
14 Section 69450), shall award, a Cal Grant A or B award depending  
15 on the eligibility determined pursuant to subdivision (c), if all of  
16 the following criteria, other than paragraphs (8) and (9), are met:
- 17 (1) A complete official financial aid application has been  
18 submitted or postmarked pursuant to Section 69432.9, no later  
19 than the March 2 of the year immediately preceding the award  
20 year.
- 21 (2) The student demonstrates financial need pursuant to Section  
22 69433.
- 23 (3) The student has earned a community college grade point  
24 average of at least 2.4 on a 4.0 scale and is eligible to transfer to  
25 a qualifying institution that offers a baccalaureate degree.
- 26 (4) The student's household has an income and asset level not  
27 exceeding the limits set forth in Section 69432.7.
- 28 (5) The student is pursuing a baccalaureate degree that is offered  
29 by a qualifying institution.

1 (6) He or she is enrolled at least part time.

2 (7) The student meets the general Cal Grant eligibility  
3 requirements set forth in Article 1 (commencing with Section  
4 69430).

5 (8) The student will not be 28 years of age or older by December  
6 31 of the award year. This paragraph does not apply to a *current*  
7 *or* former member of the Armed Forces of the United States, as  
8 defined in Section 66025.8, unless he or she *is a former member*  
9 *who* received a dishonorable or bad conduct discharge.

10 (9) The student graduated from a California high school or its  
11 equivalent during or after the 2000–01 academic year.

12 (10) (A) Except as provided for in subparagraph (B), the student  
13 attended a California community college in the academic year  
14 immediately preceding the academic year for which the award will  
15 be used.

16 (B) A student otherwise eligible to receive an award pursuant  
17 to this section, who attended a California community college in  
18 the 2011–12 academic year, may use the award for the 2012–13  
19 and 2013–14 academic years.

20 (c) The amount and type of the award pursuant to this article  
21 shall be determined as follows:

22 (1) For applicants with income and assets at or under the Cal  
23 Grant A limits, the award amount shall be the amount established  
24 pursuant to Article 2 (commencing with Section 69434).

25 (2) For applicants with income and assets at or under the Cal  
26 Grant B limits, the award amount shall be the amount established  
27 pursuant to Article 3 (commencing with Section 69435).

28 (d) (1) A student meeting the requirements of paragraph (9) of  
29 subdivision (b) by means of high school graduation, rather than  
30 its equivalent, shall be required to have graduated from a California  
31 high school, unless that California resident graduated from a high  
32 school outside of California due solely to orders received from a  
33 branch of the ~~United States Armed Forces~~ *Armed Forces of the*  
34 *United States, as defined in Section 66025.8*, by that student or by  
35 that student’s parent or guardian that required that student to be  
36 outside of California at the time of high school graduation.

37 (2) For the purposes of this article, both of the following are  
38 exempt from the requirements of subdivision (e) of Section 69433.9  
39 and paragraph (9) of subdivision (b) of this section:

1 (A) A student for whom a claim under this article was paid prior  
2 to December 1, 2005.

3 (B) A student for whom a claim under this article for the  
4 2004–05 award year or the 2005–06 award year was or is paid on  
5 or after December 1, 2005, but no later than October 15, 2006.

6 (3) (A) The commission, or a qualifying institution pursuant  
7 to Article 8 (commencing with Section 69450), shall make  
8 preliminary awards to all applicants currently eligible for an award  
9 under this article. At the time an applicant receives a preliminary  
10 award, the commission, or a qualifying institution pursuant to  
11 Article 8 (commencing with Section 69450), shall require that  
12 applicant to affirm, in writing, under penalty of perjury, that he or  
13 she meets the requirements set forth in subdivision (e) of Section  
14 69433.9, paragraph (9) of subdivision (b) of this section, and  
15 paragraph (1) of this subdivision. The commission, or a qualifying  
16 institution pursuant to Article 8 (commencing with Section 69450),  
17 shall notify each person who receives a preliminary award under  
18 this paragraph that his or her award is subject to an audit pursuant  
19 to subparagraph (B).

20 (B) The commission shall select, at random, a minimum of 10  
21 percent of the new and renewal awards made under subparagraph  
22 (A), and shall require, prior to the disbursement of Cal Grant funds  
23 to the affected postsecondary institution, that the institution verify  
24 that the recipient meets the requirements of subdivision (e) of  
25 Section 69433.9, paragraph (9) of subdivision (b) of this section,  
26 and paragraph (1) of this subdivision. An award that is audited  
27 under this paragraph and found to be valid shall not be subject to  
28 a subsequent audit.

29 (C) Pursuant to Section 69517.5, the commission shall seek  
30 repayment of any and all funds found to be improperly disbursed  
31 under this article.

32 (D) On or before November 1 of each year, the commission  
33 shall submit a report to the Legislature and the Governor including,  
34 but not necessarily limited to, both of the following:

35 (i) The number of awards made under this article in the  
36 preceding 12 months.

37 (ii) The number of new and renewal awards selected, in the  
38 preceding 12 months, for verification under subparagraph (B), and  
39 the results of that verification with respect to students at the  
40 University of California, at the California State University, at

1 independent nonprofit institutions, and at independent for-profit  
2 institutions.

3 SEC. 2. Section 69437.6 of the Education Code is amended to  
4 read:

5 69437.6. (a) An applicant competing for an award under this  
6 article shall meet all the requirements of Article 1 (commencing  
7 with Section 69430).

8 (b) To compete for a competitive Cal Grant A award, an  
9 applicant shall, at a minimum, meet all of the requirements of  
10 Article 2 (commencing with Section 69434), with the exception  
11 of paragraphs (1) and (8) of subdivision (b) of Section 69434.  
12 However, in lieu of meeting the grade point average requirement  
13 set forth in paragraph (3) of subdivision (b) of Section 69434, an  
14 applicant may submit a community college or college grade point  
15 average of at least 2.4 on a 4.0 scale.

16 (c) To compete for a competitive Cal Grant B award, an  
17 applicant shall, at a minimum, meet all of the requirements of  
18 Article 3 (commencing with Section 69435), with the exception  
19 of paragraphs (1) and (8) of subdivision (a) of Section 69435.3.  
20 However, in lieu of meeting the grade point average requirements  
21 of paragraph (3) of subdivision (a) of Section 69435.3, a student  
22 may do either of the following:

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

25 (2) Reestablish his or her grade point average by completing at  
26 least 16 cumulative units of credit for academic coursework at an  
27 accredited California community college, as defined by the  
28 commission, by regulation, with at least a 2.0 community college  
29 grade point average.

30 (d) All other competitors shall, at a minimum, comply with all  
31 of the requirements of subdivision (b) of Section 69432.9.

32 (e) An individual selected for a Cal Grant A award who enrolls  
33 in a California community college may elect to have the award  
34 held in reserve for him or her for a period not to exceed two  
35 academic years, except that the commission may extend the period  
36 in which his or her award may be held in reserve for up to three  
37 academic years if, in the commission's judgment, the rate of  
38 academic progress has been as rapid as could be expected for the  
39 personal and financial conditions that the student has encountered.  
40 The commission shall, in this case, hold the award in reserve for

1 the additional year. Upon receipt of a request to transfer the award  
2 to a tuition or fee charging qualifying institution, the individual  
3 shall be eligible to receive the Cal Grant A award previously held  
4 in reserve if, at the time of the request, he or she meets all of the  
5 requirements of this article. Upon receipt of the request, the  
6 commission shall reassess the financial need of the award recipient.  
7 The commission may prescribe the forms and procedures to be  
8 utilized for the purposes of this section. A recipient's years of  
9 eligibility for payment of benefits shall be based upon his or her  
10 grade level at the time the award is transferred to the tuition or fee  
11 charging qualifying institution. Any award so held in reserve shall  
12 only be counted once toward the 22,500 awards authorized by this  
13 article.

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