

AMENDED IN ASSEMBLY MAY 20, 2015

AMENDED IN ASSEMBLY APRIL 14, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1361

Introduced by Assembly Member Burke

February 27, 2015

An act to amend ~~Sections~~ *Section* 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 prohibit a qualifying institution from accepting award funds under the California Community College Transfer Cal Grant Entitlement Program and Title 38 of the United States Code in the same award year for a current or former member of the Armed Forces of the United States who is 28 years of age or older.*

~~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),~~ *criteria*
- 17 are met:
- 18 (1) A complete official financial aid application has been
- 19 submitted or postmarked pursuant to Section 69432.9, no later
- 20 than the March 2 of the year immediately preceding the award
- 21 year.

- 1 (2) The student demonstrates financial need pursuant to Section
2 69433.
- 3 (3) The student has earned a community college grade point
4 average of at least 2.4 on a 4.0 scale and is eligible to transfer to
5 a qualifying institution that offers a baccalaureate degree.
- 6 (4) The student's household has an income and asset level not
7 exceeding the limits set forth in Section 69432.7.
- 8 (5) The student is pursuing a baccalaureate degree that is offered
9 by a qualifying institution.
- 10 (6) He or she is enrolled at least part time.
- 11 (7) The student meets the general Cal Grant eligibility
12 requirements set forth in Article 1 (commencing with Section
13 69430).
- 14 (8) The student will not be 28 years of age or older by December
15 31 of the award year. This paragraph does not apply to a current
16 or former member of the Armed Forces of the United States, as
17 defined in Section 66025.8, unless he or she is a former member
18 who received a dishonorable or bad conduct discharge.
- 19 (9) The student graduated from a California high school or its
20 equivalent during or after the 2000–01 academic year.
- 21 (10) (A) Except as provided for in subparagraph (B), the student
22 attended a California community college in the academic year
23 immediately preceding the academic year for which the award will
24 be used.
- 25 (B) A student otherwise eligible to receive an award pursuant
26 to this section, who attended a California community college in
27 the 2011–12 academic year, may use the award for the 2012–13
28 and 2013–14 academic years.
- 29 (c) The amount and type of the award pursuant to this article
30 shall be determined as follows:
- 31 (1) For applicants with income and assets at or under the Cal
32 Grant A limits, the award amount shall be the amount established
33 pursuant to Article 2 (commencing with Section 69434).
- 34 (2) For applicants with income and assets at or under the Cal
35 Grant B limits, the award amount shall be the amount established
36 pursuant to Article 3 (commencing with Section 69435).
- 37 (d) (1) A student meeting the requirements of paragraph (9) of
38 subdivision (b) by means of high school graduation, rather than
39 its equivalent, shall be required to have graduated from a California
40 high school, unless that California resident graduated from a high

1 school outside of California due solely to orders received from a
2 branch of the Armed Forces of the United States, as defined in
3 Section 66025.8, by that student or by that student's parent or
4 guardian that required that student to be outside of California at
5 the time of high school graduation.

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

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

11 (B) A student for whom a claim under this article for the
12 2004–05 award year or the 2005–06 award year was or is paid on
13 or after December 1, 2005, but no later than October 15, 2006.

14 (3) (A) The commission, or a qualifying institution pursuant
15 to Article 8 (commencing with Section 69450), shall make
16 preliminary awards to all applicants currently eligible for an award
17 under this article. At the time an applicant receives a preliminary
18 award, the commission, or a qualifying institution pursuant to
19 Article 8 (commencing with Section 69450), shall require that
20 applicant to affirm, in writing, under penalty of perjury, that he or
21 she meets the requirements set forth in subdivision (e) of Section
22 69433.9, paragraph (9) of subdivision (b) of this section, and
23 paragraph (1) of this subdivision. The commission, or a qualifying
24 institution pursuant to Article 8 (commencing with Section 69450),
25 shall notify each person who receives a preliminary award under
26 this paragraph that his or her award is subject to an audit pursuant
27 to subparagraph (B).

28 (B) The commission shall select, at random, a minimum of 10
29 percent of the new and renewal awards made under subparagraph
30 (A), and shall require, prior to the disbursement of Cal Grant funds
31 to the affected postsecondary institution, that the institution verify
32 that the recipient meets the requirements of subdivision (e) of
33 Section 69433.9, paragraph (9) of subdivision (b) of this section,
34 and paragraph (1) of this subdivision. An award that is audited
35 under this paragraph and found to be valid shall not be subject to
36 a subsequent audit.

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

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

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

6 (ii) The number of new and renewal awards selected, in the
7 preceding 12 months, for verification under subparagraph (B), and
8 the results of that verification with respect to students at the
9 University of California, at the California State University, at
10 independent nonprofit institutions, and at independent for-profit
11 institutions.

12 (e) *An institution shall ensure that it does not accept award*
13 *funds under both this section and Title 38 of the United States*
14 *Code in the same award year for a current or former member of*
15 *the Armed Forces of the United States, as defined in Section*
16 *66025.8, who is 28 years of age or older.*

17 ~~SEC. 2.— Section 69437.6 of the Education Code is amended to~~
18 ~~read:~~

19 ~~69437.6.— (a) An applicant competing for an award under this~~
20 ~~article shall meet all the requirements of Article 1 (commencing~~
21 ~~with Section 69430):~~

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

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

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

39 ~~(2) Reestablish his or her grade point average by completing at~~
40 ~~least 16 cumulative units of credit for academic coursework at an~~

1 ~~accredited California community college, as defined by the~~
2 ~~commission, by regulation, with at least a 2.0 community college~~
3 ~~grade point average.~~
4 ~~(d) All other competitors shall, at a minimum, comply with all~~
5 ~~of the requirements of subdivision (b) of Section 69432.9.~~
6 ~~(e) 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 awards authorized by this~~
27 ~~article.~~