

AMENDED IN SENATE AUGUST 18, 2016
AMENDED IN SENATE AUGUST 16, 2016
AMENDED IN SENATE JUNE 20, 2016
AMENDED IN ASSEMBLY JANUARY 13, 2016
AMENDED IN ASSEMBLY JANUARY 5, 2016
AMENDED IN ASSEMBLY JANUARY 4, 2016
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1449

Introduced by Assembly Member Lopez

February 27, 2015

An act to amend Section 69436 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1449, as amended, Lopez. Student financial aid: California Community College Transfer Cal Grant Entitlement Program.

~~Existing~~

(1) *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 receives a Cal Grant A or B award if the student meets specified requirements, among which is that the student graduate from a California high school or its equivalent during or after the 2000–01 academic year.

This bill would, commencing with the 2017–18 academic year, exempt a student from the requirement that the student graduate from a California high school or its equivalent if he or she did not graduate from high school or its equivalent and was a California resident, as determined pursuant to specified provisions of law, on his or her 18th birthday.

(2) This bill would incorporate additional changes to Section 69436 of the Education Code proposed by SB 1314 that would become operative if this bill and SB 1314 are both enacted and this bill is chaptered last.

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 are met:
- 17 (1) A complete official financial aid application has been
- 18 submitted or postmarked pursuant to Section 69432.9, no later

1 than the March 2 of the year immediately preceding the award
2 year.

3 (2) The student demonstrates financial need pursuant to Section
4 69433.

5 (3) The student has earned a community college grade point
6 average of at least 2.4 on a 4.0 scale and is eligible to transfer to
7 a qualifying institution that offers a baccalaureate degree.

8 (4) The student's household has an income and asset level not
9 exceeding the limits set forth in Section 69432.7.

10 (5) The student is pursuing a baccalaureate degree that is offered
11 by a qualifying institution.

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

13 (7) The student meets the general Cal Grant eligibility
14 requirements set forth in Article 1 (commencing with Section
15 69430).

16 (8) The student will not be 28 years of age or older by December
17 31 of the award year.

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

20 (10) (A) Except as provided for in subparagraph (B), the student
21 attended a California community college in the academic year
22 immediately preceding the academic year for which the award will
23 be used.

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

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

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

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

36 (d) (1) A student meeting the requirements of paragraph (9) of
37 subdivision (b) by means of high school graduation, rather than
38 its equivalent, shall be required to have graduated from a California
39 high school, unless that California resident graduated from a high
40 school outside of California due solely to orders received from a

1 branch of the United States Armed Forces by that student or by
2 that student's parent or guardian that required that student to be
3 outside of California at the time of high school graduation.

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

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

9 (B) A student for whom a claim under this article for the
10 2004–05 award year or the 2005–06 award year was or is paid on
11 or after December 1, 2005, but no later than October 15, 2006.

12 (C) Commencing with the 2017–18 academic year, a student
13 who did not graduate from high school or its equivalent and was
14 a California resident, as determined pursuant to Article 5
15 (commencing with Section 68060) of Chapter 1 of Part 41, on his
16 or her 18th birthday.

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

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

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

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

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

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

15 *SEC. 1.5. Section 69436 of the Education Code is amended to*
16 *read:*

17 69436. (a) A student who was not awarded a Cal Grant A or
18 B award pursuant to Article 2 (commencing with Section 69434)
19 or Article 3 (commencing with Section 69435) at the time of his
20 or her high school graduation but, at the time of transfer from a
21 California community college to a qualifying baccalaureate
22 ~~program, program or upon matriculation into the upper division~~
23 *coursework of a community college baccalaureate program,*
24 *described in Article 3 (commencing with Section 78040) of Chapter*
25 *1 of Part 48 of Division 7, meets all of the criteria set forth in*
26 *subdivision (b), shall be entitled to a Cal Grant A or B award.*

27 (b) Any California resident transferring from a California
28 community college to a qualifying institution that offers a
29 baccalaureate degree *or who matriculates into the upper division*
30 *coursework of a community college baccalaureate program,*
31 *described in Article 3 (commencing with Section 78040) of Chapter*
32 *1 of Part 48 of Division 7, is entitled to receive, and the*
33 *commission, or a qualifying institution pursuant to Article 8*
34 *(commencing with Section 69450), shall award, a Cal Grant A or*
35 *B award depending on the eligibility determined pursuant to*
36 *subdivision (c), if all of the following criteria are met:*

37 (1) A complete official financial aid application has been
38 submitted or postmarked pursuant to Section 69432.9, no later
39 than the March 2 of the year immediately preceding the award
40 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.

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

18 (10) (A) Except as provided for in subparagraph (B), the student
19 attended a California community college in the academic year
20 immediately preceding the academic year for which the award will
21 be used.

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

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

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

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

34 (d) (1) A student meeting the requirements of paragraph (9) of
35 subdivision (b) by means of high school graduation, rather than
36 its equivalent, shall be required to have graduated from a California
37 high school, unless that California resident graduated from a high
38 school outside of California due solely to orders received from a
39 branch of the United States Armed Forces by that student or by

1 that student's parent or guardian that required that student to be
2 outside of California at the time of high school graduation.

3 (2) For the purposes of this article, ~~both~~ all of the following are
4 exempt from the requirements of subdivision (e) of Section 69433.9
5 and paragraph (9) of subdivision (b) of this section:

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

8 (B) A student for whom a claim under this article for the
9 2004–05 award year or the 2005–06 award year was or is paid on
10 or after December 1, 2005, but no later than October 15, 2006.

11 (C) *Commencing with the 2017–18 academic year, a student*
12 *who did not graduate from high school or its equivalent and was*
13 *a California resident, as determined pursuant to Article 5*
14 *(commencing with Section 68060) of Chapter 1 of Part 41, on his*
15 *or her 18th birthday.*

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

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

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

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

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

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

15 *SEC. 2. Section 1.5 of this bill incorporates amendments to*
16 *Section 69436 of the Education Code proposed by both this bill*
17 *and Senate Bill 1314. It shall only become operative if (1) both*
18 *bills are enacted and become effective on or before January 1,*
19 *2017, (2) each bill amends Section 69436 of the Education Code,*
20 *and (3) this bill is enacted after Senate Bill 1314, in which case*
21 *Section 1 of this bill shall not become operative.*