

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 1961

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**Introduced by Assembly Member Baker**

February 12, 2016

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An act to amend Section ~~69437~~ 69432 of the Education Code, relating to student financial aid.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1961, as amended, Baker. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant ~~Program~~. *Program: private nonprofit postsecondary educational institutions.*

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B entitlement awards, the California Community College Transfer 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.

~~This bill would make nonsubstantive changes to these provisions.~~

*Existing law establishes the maximum tuition award amount for each Cal Grant A and B award for new recipient students attending private nonprofit postsecondary educational institutions at \$9,084 for the 2015–16 and 2016–17 award years and \$8,056 for the 2017–18 award year and each award year thereafter. Existing law also establishes these amounts as the maximum tuition award amounts for new recipients attending private for-profit postsecondary educational institutions that are accredited, as specified.*

*This bill would instead increase the maximum tuition award amount for Cal Grant A and B awards for new recipients at private nonprofit postsecondary educational institutions to no less than \$10,000 for the 2017–18 award year and each award year thereafter. For these award years, the maximum tuition award amounts would remain at \$8,056 for new recipients attending accredited private for-profit postsecondary educational institutions as referred to above.*

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

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

1     SECTION 1. Section 69432 of the Education Code is amended  
2     to read:

3     69432. (a) Cal Grant Program awards shall be known as “Cal  
4     Grant A Entitlement Awards,” “Cal Grant B Entitlement Awards,”  
5     “California Community College Transfer Entitlement Awards,”  
6     “Competitive Cal Grant A and B Awards,” “Cal Grant C Awards,”  
7     and “Cal Grant T Awards.”

8     (b) Maximum award amounts for students at independent  
9     institutions and for Cal Grant C and T awards shall be identified  
10    in the annual Budget Act. Maximum award amounts for Cal Grant  
11    A and B awards for students attending public institutions shall be  
12    referenced in the annual Budget Act.

13    (c) (1) Notwithstanding subdivision (b), and subdivision (c) of  
14    Section 66021.2, commencing with the 2013–14 award year, the  
15    maximum tuition award amounts for Cal Grant A and B awards  
16    for students attending private for-profit and nonprofit  
17    postsecondary educational institutions shall be as follows:

18    (A) Four thousand dollars (\$4,000) for new recipients attending  
19    private for-profit postsecondary educational institutions.

20    (B) For the 2015–16 and 2016–17 award years, nine thousand  
21    eighty-four dollars (\$9,084) for new recipients attending private  
22    nonprofit postsecondary educational institutions. For the 2017–18  
23    award year and each award year thereafter, ~~eight thousand fifty-six~~  
24    ~~dollars (\$8,056)~~ *no less than ten thousand dollars (\$10,000)* for  
25    new recipients attending private nonprofit postsecondary  
26    educational institutions.

27    (2) The renewal award amount for a student whose initial award  
28    is subject to a maximum award amount specified in this subdivision

shall be calculated pursuant to paragraph (2) of subdivision (a) of Section 69433.

(3) Notwithstanding subparagraph (A) of paragraph (1), *for the 2017–18 award year and each award year thereafter, the maximum tuition award amounts for new recipients attending private for-profit postsecondary educational institutions that are accredited by the Western Association of Schools and Colleges as of July 1, 2012, shall have the same maximum tuition award amounts as are set forth in subparagraph (B) of paragraph (1): be eight thousand fifty-six dollars (\$8,056).*

SECTION 1. Section 69437 of the Education Code is amended to read:

~~69437. (a) Commencing with the 2001–02 academic year, and each academic year thereafter, there shall be established the Competitive Cal Grant A and Cal Grant B award program for students who did not receive a Cal Grant A or Cal Grant B entitlement award pursuant to Article 2 (commencing with Section 69434), Article 3 (commencing with Section 69435), or Article 4 (commencing with Section 69436). Awards made under this section are not entitlements. The submission of an application by a student under this section shall not entitle that student to an award. The selection of students under this article shall be determined pursuant to subdivision (c) and other relevant criteria established by the commission.~~

~~(b) Commencing with the 2015–16 academic year, a total of 25,750 Cal Grant A and Cal Grant B awards shall be granted annually under this article on a competitive basis for applicants who meet the general eligibility criteria established in Article 1 (commencing with Section 69430) and the priorities established by the commission pursuant to subdivision (c).~~

~~(1) Fifty percent of the awards referenced in this subdivision are available to all students, including California community college students, who meet the financial need and academic requirements established pursuant to this article. A student enrolling at a qualifying baccalaureate degree granting institution shall apply by the March 2 deadline. A California community college student is eligible to apply at the March 2 or the September 2 deadline.~~

~~(2) Fifty percent of the awards referenced in this subdivision are reserved for students who will be enrolled at a California~~

1 community college. The commission shall establish a second  
2 application deadline of September 2 for community college  
3 students to apply for these awards effective with the fall term or  
4 semester of the 2001-02 academic year.

5 (3) If any awards are not distributed pursuant to paragraphs (1)  
6 and (2) upon initial allocation of the awards under this article, the  
7 commission shall make awards to as many eligible students as  
8 possible, beginning with the students with the lowest expected  
9 family contribution and highest academic merit, consistent with  
10 the criteria adopted by the commission pursuant to subdivision  
11 (e), as practicable without exceeding an annual cumulative total  
12 of 25,750 awards.

13 (e) (1) On or before February 1, 2001, acting pursuant to a  
14 public hearing process that is consistent with the Bagley-Keene  
15 Open Meeting Act (Article 9 (commencing with Section 11120)  
16 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government  
17 Code), the commission shall establish selection criteria for Cal  
18 Grant A and Cal Grant B awards under the competitive program  
19 that give special consideration to disadvantaged students, taking  
20 into consideration those financial, educational, cultural, language,  
21 home, community, environmental, and other conditions that hamper  
22 a student's access to, and ability to persist in, postsecondary  
23 education programs.

24 (2) Additional consideration shall be given to both of the  
25 following:

26 (A) Students pursuing Cal Grant B awards who reestablish their  
27 grade point averages.

28 (B) Students who did not receive awards pursuant to Article 2  
29 (commencing with Section 69434), Article 3 (commencing with  
30 Section 69435), or Article 4 (commencing with Section 69436).

31 (d) All other students who meet the eligibility requirements  
32 pursuant to Article 1 (commencing with Section 69430) are eligible  
33 to compete for an award pursuant to this article.