

AMENDED IN ASSEMBLY APRIL 21, 2016

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 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: 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.

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. *The bill would impose requirements on private nonprofit postsecondary educational institutions to provide specified data to a specified association as a condition for the funding of Cal Grant awards to their students and would require the association to report on that information to the Legislature, the Governor, the Department of Finance, and the Legislative Analyst's Office.*

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 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.

(B) For the 2015–16 and 2016–17 award years, nine thousand eighty-four dollars (\$9,084) for new recipients attending private nonprofit postsecondary educational institutions. For the 2017–18 award year and each award year thereafter, no less than ten thousand dollars (~~\$10,000~~) (*\$10,000*), *as determined in the annual Budget Act*, for new recipients attending private nonprofit postsecondary educational institutions.

(2) The renewal award amount for a student whose initial award 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 be eight thousand fifty-six dollars (\$8,056).

*(d) As a condition for the funding of Cal Grant awards to its students, a private nonprofit postsecondary educational institution shall submit performance metrics to the Association of Independent California Colleges and Universities. The association, in collaboration with the public segments of higher education, shall determine the form and content of these metrics, to ensure data are defined, collected, and reported in a consistent and comparable manner, and to ensure data integrity. The association shall provide that information in a cumulative report generated by the association to the Legislature, the Governor, the Department of Finance, and the Legislative Analyst's Office on or before March 15, 2017, and on or before March 15 of each year thereafter. The report shall be submitted to the Legislature in compliance with Section 9795 of the Government Code and shall include all of the following data with respect to each participating private nonprofit postsecondary educational institution:*

*(1) The number of undergraduate students enrolled in that institution.*

*(2) The percentage of undergraduate students of that institution who are California residents.*

*(3) The number of graduate students enrolled in that institution.*

*(4) The number of transfer students from the California Community Colleges enrolled in that institution.*

- 1     (5) *The percentage of undergraduate students of that institution*  
2 *who are transfer students from the California Community Colleges.*  
3     (6) *The number of Pell Grant recipients enrolled in that*  
4 *institution.*  
5     (7) *The percentage of undergraduate students of that institution*  
6 *who are Pell Grant recipients.*  
7     (8) *The number of Cal Grant recipients enrolled in that*  
8 *institution. With respect to those Cal Grant recipients, both of the*  
9 *following shall be included:*  
10    (A) *Their ethnic composition, expressed in percentages.*  
11    (B) *The median amount of institutional aid provided to them.*  
12    (9) *The percentage of undergraduate students of that institution*  
13 *who are Cal Grant recipients.*  
14    (10) *The four- and six-year graduation rates for freshman*  
15 *entrants of that institution disaggregated by both of the following:*  
16    (A) *Pell Grant recipients.*  
17    (B) *Cal Grant recipients.*  
18    (11) *The two- and three-year graduation rates for transfer*  
19 *students from the California Community Colleges disaggregated*  
20 *by both of the following:*  
21    (A) *Pell Grant recipients.*  
22    (B) *Cal Grant recipients.*  
23    (12) *The number of degrees awarded annually by the institution*  
24 *in total and in each of the following categories:*  
25    (A) *Undergraduate students who first enrolled in the institution*  
26 *as freshmen.*  
27    (B) *Undergraduate students who first enrolled in the institution*  
28 *as transfer students.*  
29    (C) *Graduate students.*  
30    (D) *Pell Grant recipients.*  
31    (E) *The number of degrees or credentials awarded in*  
32 *health-related fields, teacher preparation, and the fields of science,*  
33 *technology, engineering, and mathematics (STEM).*  
34    (e) *The collection, reporting, and housing of data for the report*  
35 *prepared pursuant to subdivision (d) shall be conducted both in*  
36 *a manner that ensures data integrity and security and that is in*  
37 *conformance with any federal and state laws on the confidentiality*  
38 *of student information.*

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