

Introduced by Senators Block, De León, and Liu
(Coauthors: Senators Allen, Beall, Hancock, Hill, Hueso, Lara,
Leno, Mitchell, Wieckowski, and Wolk)
(Coauthor: Assembly Member Medina)

December 1, 2014

An act to amend Sections 69432 and 69437 of, and to add Article 23 (commencing with Section 70030) to Chapter 2 of Part 42 of Division 5 of Title 3 of, the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 15, as introduced, Block. Postsecondary education: financial aid.

The 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 total number of Competitive Cal Grant A and B awards granted annually at 22,500 and the maximum tuition award amount for each Cal Grant A and B award for new students attending private nonprofit postsecondary educational institution at \$9,084 for the 2014–15 award year and \$8,056 for the 2015–16 award year and each award year thereafter.

This bill would increase the total number of Competitive Cal Grant A and B awards granted annually to 30,000 and would increase the maximum tuition award amount for Cal Grant A and B for students at private nonprofit postsecondary schools to \$9,084 for the 2015–16 award year and each award year thereafter.

This bill would establish, commencing with the 2015–16 academic year, the Competitive Incentive Grant Award to provide students with financial need attending a campus of the California State University with additional financial aid over a 3-year period, as specified.

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. (a) The Legislature finds and declares all of the
2 following:

3 (1) According to the Public Policy Institute of California, in
4 2025, 41 percent of jobs will require at least a bachelor’s degree.
5 However, if current trends persists, only 35 percent of working-age
6 California adults will have a bachelor’s degree by 2025. Without
7 more students entering and completing a college degree, California
8 will not meet workforce demands.

9 (2) According to the Public Policy Institute of California, in-state
10 full tuition at the University of California and the California State
11 University has risen more dramatically than at other public
12 universities in other states over the past decade. From 2004 to
13 2103, the average tuition at the University of California and the
14 California State University has more than doubled. California must
15 make college more affordable and accessible for all of its students.

16 (3) According to the Campaign for College Opportunity, an
17 individual between 25 and 64 years of age who completes at least
18 a bachelor of arts degree can anticipate earning an additional one
19 million three hundred thousand dollars (\$1,300,000) in wages and
20 salary.

21 (4) According to the State Education Executive Officers,
22 enrolling in 15 credit hours per term is the number one predictor
23 of student success.

24 (5) According to the Campaign for College Opportunity, if a
25 California State University student enrolls in less than 15 credits
26 per semester or takes time off, he or she will take longer than the
27 expected four years to earn a bachelor’s degree that requires 120
28 credits.

29 (6) According to the Campaign for College Opportunity, the
30 increased cost of tuition to attend a California State University
31 may have caused more students to work, or work more hours, to

1 pay for school. Research has demonstrated that working behavior
2 is a significant contributor to delayed time to earning a degree.
3 Essentially, students are forced to choose between either working
4 to earn money or taking additional courses to progress in earning
5 their degree.

6 (b) It is the intent of the Legislature, in the 2015–16 fiscal year,
7 to appropriate funds to the Regents of the University of California
8 for the following purposes:

9 (1) Eliminate the five-percent tuition increase adopted by the
10 Regents of the University of California in November 2014.

11 (2) Provide additional course offerings for students to complete
12 a bachelor’s degree in four years or less.

13 (3) Provide support services to students to aid them in
14 completing a bachelor’s degree in four years or less.

15 SEC. 2. Section 69432 of the Education Code is amended to
16 read:

17 69432. (a) Cal Grant Program awards shall be known as “Cal
18 Grant A Entitlement Awards,” “Cal Grant B Entitlement Awards,”
19 “California Community College Transfer Entitlement Awards,”
20 “Competitive Cal Grant A and B Awards,” “Cal Grant C Awards,”
21 and “Cal Grant T Awards.”

22 (b) Maximum award amounts for students at independent
23 institutions and for Cal Grant C and T awards shall be identified
24 in the annual Budget Act. Maximum award amounts for Cal Grant
25 A and B awards for students attending public institutions shall be
26 referenced in the annual Budget Act.

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

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

34 (B) ~~For the 2014–15 award year, nine-Nine~~ thousand eighty-four
35 dollars (\$9,084) for new recipients attending private nonprofit
36 postsecondary educational institutions. ~~For the 2015–16 award~~
37 ~~year and each award year thereafter, eight thousand fifty-six dollars~~
38 ~~(\$8,056) for new recipients attending private nonprofit~~
39 ~~postsecondary educational institutions.~~

1 (2) The renewal award amount for a student whose initial award
2 is subject to a maximum award amount specified in this subdivision
3 shall be calculated pursuant to paragraph (2) of subdivision (a) of
4 Section 69433.

5 (3) Notwithstanding subparagraph (A) of paragraph (1), new
6 recipients attending private for-profit postsecondary educational
7 institutions that are accredited by the Western Association of
8 Schools and Colleges as of July 1, 2012, shall have the same
9 maximum tuition award amounts as are set forth in subparagraph
10 (B) of paragraph (1).

11 SEC. 3. Section 69437 of the Education Code is amended to
12 read:

13 69437. (a) Commencing with the 2001–02 academic year, and
14 each academic year thereafter, there shall be established the
15 Competitive Cal Grant A and B award program for students who
16 did not receive a Cal Grant A or B entitlement award pursuant to
17 Article 2 (commencing with Section 69434), Article 3
18 (commencing with Section 69435), or Article 4 (commencing with
19 Section 69436). Awards made under this section are not
20 entitlements. The submission of an application by a student under
21 this section shall not entitle that student to an award. The selection
22 of students under this article shall be determined pursuant to
23 subdivision (c) and other relevant criteria established by the
24 commission.

25 (b) A total of ~~22,500~~ 30,000 Cal Grant A and B awards shall
26 be granted annually under this article on a competitive basis for
27 applicants who meet the general eligibility criteria established in
28 Article 1 (commencing with Section 69430) and the priorities
29 established by the commission pursuant to subdivision (c).

30 (1) Fifty percent of the awards referenced in this subdivision
31 are available to all students, including California community
32 college students, who meet the financial need and academic
33 requirements established pursuant to this article. A student
34 enrolling at a qualifying baccalaureate degree granting institution
35 shall apply by the March 2 deadline. A California community
36 college student is eligible to apply at the March 2 or the September
37 2 deadline.

38 (2) Fifty percent of the awards referenced in this subdivision
39 are reserved for students who will be enrolled at a California
40 community college. The commission shall establish a second

1 application deadline of September 2 for community college
2 students to apply for these awards effective with the fall term or
3 semester of the 2001–02 academic year.

4 (3) If any awards are not distributed pursuant to paragraphs (1)
5 and (2) upon initial allocation of the awards under this article, the
6 commission shall make awards to as many eligible students as
7 possible, beginning with the students with the lowest expected
8 family contribution and highest academic merit, consistent with
9 the criteria adopted by the commission pursuant to subdivision
10 (c), as practicable without exceeding an annual cumulative total
11 of ~~22,500~~ 30,000 awards.

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

23 (2) Additional consideration shall be given to each of the
24 following:

25 (A) Students who graduated from high school or its equivalent
26 prior to the 2000–01 academic year. This subparagraph shall not
27 be applicable after the 2004–05 academic year.

28 (B) Students pursuing Cal Grant B awards who reestablish their
29 grade point averages.

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

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

36 SEC. 4. Article 23 (commencing with Section 70030) is added
37 to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education
38 Code, to read:

1 Article 23. Competitive Incentive Grant Award

2
3 70030. For purposes of this article, “student with financial
4 need” means a student attending a campus of the California State
5 University who has demonstrated a need for a state, federal, or
6 institutional financial aid to pay for tuition.

7 70031. (a) Commencing with the 2015–16 academic year,
8 there shall be established the Competitive Incentive Grant Award
9 for students with financial need. The purpose of the grant award
10 is to provide those students with additional financial aid to offset
11 their total cost of education, including the costs of housing,
12 textbooks, and transportation.

13 (b) The Competitive Incentive Grant Award shall be allocated
14 to a student with financial need over a three-year period as follows:

15 (1) One thousand dollars (\$1,000) if the student completes 30
16 units by the end of his or her first academic year.

17 (2) One thousand five hundred dollars (\$1,500) if the student
18 completes 60 units by the end of his or her second academic year.

19 (3) Two thousand dollars (\$2,000) if the student completes 90
20 units by the end of his or her third academic year.