

AMENDED IN SENATE APRIL 20, 2015

SENATE BILL

No. 791

Introduced by Senator Hertzberg
(Coauthor: Assembly Member Chávez)

February 27, 2015

An act to add Section 69984.3 to the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 791, as amended, Hertzberg. Student financial aid: Golden State Scholarshare Trust Act.

The Golden State Scholarshare Trust Act establishes the Golden State Scholarshare Trust, under the administration of the Scholarshare Investment Board. Under existing law, parents and others may invest tax-deferred funds with the trust for the purpose of providing financial resources to eventually meet the postsecondary education costs of beneficiaries.

This bill would require the Scholarshare Investment Board to ~~enter~~ *consider entering* into an agreement with a card issuer, as defined, to require the granting, based on accumulated credit card use, of a reasonable award, or points leading to an award, that would be deposited into Scholarshare trust accounts, as specified. *The bill would require the board to report its decision, and the rationale for that decision, at a regularly scheduled public meeting of the board on or before June 30, 2016. The bill would also require the board to report this decision, in writing, to the chairpersons of the education policy committees of the Senate and the Assembly.*

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

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

SECTION 1. Section 69984.3 is added to the Education Code, to read:

69984.3. (a) (1) Notwithstanding any other law, the board shall ~~enter~~ *consider entering* into an agreement with a card ~~issuer~~. ~~This agreement shall include, but shall~~ *issuer that includes, but is* not necessarily ~~be~~ limited to, a provision requiring the credit card issuer to provide a reasonable award, or a number of points leading to an award, that would be automatically deposited into a Scholarshare trust account. Awards under this agreement ~~shall~~ *would* be accumulated through the use of a credit card issued by the card issuer.

(2) *With respect to its consideration of entering into an agreement as described in paragraph (1), the board shall report its decision, and the rationale for that decision, at a regularly scheduled public meeting of the board on or before June 30, 2016. The board shall report this decision, in writing, in a timely manner, to the chairpersons of the education policy committees of the Senate and the Assembly. This paragraph shall become inoperative on January 1, 2020.*

(b) As used in this section, “card issuer” and “credit card” have the same meanings as defined in Section 1747.02 of the Civil Code.