

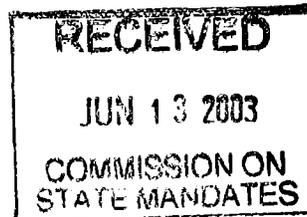
SixTen and Associates

Mandate Reimbursement Services

KEITH B. PETERSEN, MPA, JD, President
5252 Balboa Avenue, Suite 807
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June 10, 2003



Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, California 95814

Re: TEST CLAIM OF Long Beach Community College District
Statutes of 2001, Chapter 159
Cal Grants

Dear Ms. Higashi:

Enclosed are the original and seven copies of the Long Beach Community College District test claim for the above referenced mandate.

I have been appointed by the District as its representative for the test claim. The District requests that all correspondence originating from your office and documents subject to service by other parties be directed to me, with copies to:

Victor R. Collins
Executive Vice President, Human Resources
Long Beach Community College District
4901 East Carson Street
Long Beach, California 90808

The Commission regulations provide for an informal conference of the interested parties

Paula Higashi, Executive Director,
Commission on State Mandates

June 10, 2003

within thirty days. If this meeting is deemed necessary, I request that it be conducted in conjunction with a regularly scheduled Commission hearing.

Sincerely,

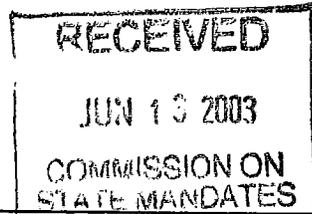


Keith B. Petersen

C: Victor R. Collins, Executive Vice President, Human Resources
Long Beach Community College District

State of California
COMMISSION ON STATE MANDATES
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562
CSM 2 (1/91)

For Official Use Only



TEST CLAIM FORM

Claim No. 07-TC-28

Local Agency or School District Submitting Claim

LONG BEACH COMMUNITY COLLEGE DISTRICT

Contact Person

Telephone Number

Keith B. Petersen, President
SixTen and Associates

Voice: 858-514-8605
Fax: 858-514-8645

Claimant Address

Long Beach Community College District
4901 East Carson Street
Long Beach, California 90808

Representative Organization to be Notified

Dr. Carol Berg, Consultant, Education Mandated Cost Network
c/o School Services of California
1121 L Street, Suite 1060
Sacramento, CA 95814

Voice: 916-446-7517
Fax: 916-446-2011

This claim alleges the existence of a reimbursable state mandated program within the meaning of section 17514 of the Government Code and section 6, article XIII B of the California Constitution. This test claim is filed pursuant to section 17551(a) of the Government Code.

Identify specific section(s) of the chaptered bill or executive order alleged to contain a mandate, including the particular statutory code citation(s) within the chaptered bill, if applicable. **CAL GRANTS**

Chapter 159, Statutes of 2001 Education Code Sections 69432.8
Chapter 8, Statutes of 2001 69432.9, 69433, 69433.5, 69433.6
Chapter 403, Statutes of 2000 69433.7, 69434, 69434.5, 69435,
69435.3, 69436, 69436.5, 69437,
69437.3, 69437.6, 69439, 69440
and 69514.5

Title 5, California Code of Regulations
Sections 30002, 30007, 30023, 30026
30027 and 30032

IMPORTANT: PLEASE SEE INSTRUCTIONS AND FILING REQUIREMENTS FOR COMPLETING TEST CLAIM ON THE REVERSE SIDE.

Name and Title of Authorized Representative

Telephone No.

Victor R. Collins
Executive Vice President - Human Resources

(562) 938-4397

Signature of Authorized Representative

Date

A large, cursive handwritten signature in black ink, appearing to read "Victor R. Collins".

May 16, 2003

1 Claim Prepared By:
2 Keith B. Petersen
3 SixTen and Associates
4 5252 Balboa Avenue, Suite 807
5 San Diego, CA 92117
6 Voice: (858) 514-8605
7 Fax: (858) 514-8645
8
9

10
11
12 BEFORE THE
13
14 COMMISSION ON STATE MANDATES
15
16 STATE OF CALIFORNIA
17

18 Test Claim of:	)	No. CSM. _____
)	
	)	Chapter 159, Statutes of 2001
	)	Chapter 8, Statutes of 2001
	)	Chapter 403, Statutes of 2000
)	
24 Long Beach	)	Education Code Sections
	)	69432.8, 69432.9, 69433,
26 Community College District	)	69433.5, 69433.6, 69433.7,
	)	69434, 69434.5, 69435, 69435.3,
	)	69436, 69436.5, 69437, 69437.3
	)	69437.6, 69439, 69440 and
	)	69514.5
)	
)	
33 Test Claimant	)	Title 5, California Code of
	)	Regulation Sections
	)	30002, 30007, 30023, 30026,
	)	30027, and 30032
)	
	)	<u>Cal Grants</u>
)	
	)	TEST CLAIM FILING
42 _____)	

1 SECTION 2. LEGISLATIVE HISTORY AFTER DECEMBER 31, 1974:

2 Chapter 1270, Statutes of 1975, Section 13, added Division 25, "Student
3 Financial Aid Programs" to the Education Code. Chapter 3 of Division 25 contained the
4 "California Educational Opportunity Grant Program, commencing with Section 40400
5 (after recodification by Chapter 1010, Statutes of 1976 to include Education Code
6 Sections 69530 through 69547.9). Although still applicable to students who received
7 awards on or before December 31, 2000 and effective until a sunset date of January 1,
8 2010, those sections are not part of this test claim.

9 Chapter 403, Statutes of 2000, Section 4, added Chapter 1.7 to Part 42 of
10 Division 5 of Title 3 of the Education Code (sections 69430 through 69440). Section
11 69430² provides that the chapter shall be known and cited as the Ortiz-Pacheco-
12 Poochigian-Vasconcellos Cal Grant Program, or the Cal Grant Program.

13 Section 69431³ established the Ortiz-Pacheco-Poochigian-Vasconcellos Cal
14 Grant Program, which may also be referred to as the Cal Grant Program.

² Education Code Section 69430, added by Chapter 403, Statutes of 2000,
Section 4:

"This chapter shall be known, and may be cited, as the
Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program."

³ Education Code Section 69431, added by Chapter 403, Statutes of 2000,
Section 4:

"There is hereby established the Ortiz-Pacheco-Poochigian-Vasconcellos Cal
Grant Program, which may also be referred to as the Cal Grant Program."

1 Section 69432⁴, subdivision (a), provides that the Cal Grant program awards shall
2 be known as "Cal Grant A Entitlement Awards," "Cal Grant B Entitlement Awards,"
3 "California Community College Transfer Entitlement Awards," "Competitive Cal Grant A
4 and B Awards," "Cal Grant C Awards," and "Cal Grant T Awards."

5 Section 69432.7⁵ provides definitions of terms used in the Cal Grant program.

⁴ Education Code Section 69432, added by Chapter 403, Statutes of 2000,
Section 4:

"(a) Cal Grant Program awards shall be known as "Cal Grant A Entitlement Awards," "Cal Grant B Entitlement Awards," "California Community College Transfer Entitlement Awards," "Competitive Cal Grant A and B Awards," "Cal Grant C Awards," and "Cal Grant T Awards."

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

⁵ Education Code Section 69432.7, added by Chapter 403, Statutes of 2000,
Section 4:

"(a) An "academic year" is July 1 to June 30, inclusive. The starting date of a session shall determine the academic year in which it is included.

(b) "Access costs" means living expenses and expenses for transportation, supplies, and books.

(c) "Award year" means one academic year, or the equivalent, of attendance at a qualifying institution.

(d) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree.

(e) "Commission" means the Student Aid Commission.

(f) "Enrollment status" means part-time status or full-time status.

(1) Part-time, for purposes of Cal Grant eligibility, is defined as 6 to 11 semester units, inclusive, or the equivalent.

(2) Full-time, for purposes of Cal Grant eligibility, is defined as 12 or more

1

semester units or the equivalent.

(g) "Expected family contribution," with respect to an applicant, shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(h) "High school grade point average" means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses, and computed pursuant to regulations of the commission. However, for high school graduates who apply after their senior year, "high school grade point average" includes senior year coursework.

(i) "Instructional program of not less than one academic year" means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at least 24 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) "Instructional program of not less than two academic years" means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) "Maximum household income and asset levels" means the applicable household income and household asset levels for participants in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001-02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

CAL GRANT PROGRAM INCOME CEILINGS

	Cal Grant A, C, and T	Cal Grant B
<hr style="border-top: 1px dashed black;"/>		
Dependent and Independent students with dependents*		
Family Size		
Six or more	\$74,100	\$40,700
Five	\$68,700	\$37,700
Four	\$64,100	\$33,700
Three	\$59,000	\$30,300
Two	\$57,600	\$26,900
Independent		
Single, no dependents	\$23,500	\$23,500
Married	\$26,900	\$26,900

1 Chapter 159, Statutes of 2001, Section 79 amended Section 69432.7 to make technical
2 changes.

*Applies to independent students with dependents other than a spouse.
CAL GRANT PROGRAM ASSET CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent**	\$49,600	\$49,600
Independent	\$23,600	\$23,600

**Applies to independent students with dependents other than a spouse.

The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution.

(l) "Qualifying institution" means any of the following:

(1) Any California private or independent postsecondary educational institution that participates in the Pell Grant program and in at least two of the following federal campus-based student aid programs:

(A) Federal Work-Study.

(B) Perkins Loan Program.

(C) Supplemental Educational Opportunity Grant Program.

(2) Any nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution's operating budget, as demonstrated in an audited financial statement, is expended for the purposes of institutionally funded student financial aid in the form of grants, that demonstrates to the commission that it has the administrative capacity to administer the funds, that is accredited by the Western Association of Schools and Colleges, and that meets any other state-required criteria adopted by regulation by the commission in consultation with the Department of Finance. A regionally accredited institution that was deemed qualified by the commission to participate in the Cal Grant Program for the 2000-01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(3) Any California public postsecondary educational institution.

(m) "Satisfactory academic progress" means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining "satisfactory academic progress" in a manner that is consistent with those federal standards."

1 Section 69432.8⁶ allows the commission to make advance payments to insure
2 availability of funds at enrollment and requires each qualifying institution⁷ to disburse the
3 funds advanced to it in accordance with the provisions set forth in the institutional
4 agreement between the Student Aid Commission ("Commission") and the institution.
5 This requires community colleges to enter into institutional agreements with the Student
6 Aid Commission and to establish and utilize accounting procedures to account for the
7 receipt and allocation of funds advanced and to account for any surplus or deficit
8 amounts.

9 Section 69432.9⁸, subdivision (a), requires that a Cal Grant applicant submit a

⁶ Education Code Section 69432.8, added by Chapter 403, Statutes of 2000,
Section 4:

"The commission may determine that an advance payment is essential to ensure that funds provided pursuant to this chapter to assist students to enroll in postsecondary education are available at the time students enroll. Upon making that determination, the commission may, on the basis of institutional academic calendars, advance, per term to authorized postsecondary educational institutions, the funds for eligible students who have indicated they will attend those institutions, less an amount based on historical claim enrollment attrition information. Each institution shall disburse the funds in accordance with the provisions set forth in the institutional agreement between the commission and the institution."

⁷ Education Code Section 69432.7(l)(3) provides that any California public postsecondary educational institution is a "qualifying institution." See also: Title 5, California Code of Regulations, Section 30009(a).

⁸ Education Code Section 69432.9, added by Chapter 403, Statutes of 2000,
Section 4:

"(a) A Cal Grant applicant shall submit a complete official financial aid application pursuant to Section 69433 and applicable regulations adopted by the commission.
(b) Financial need shall be determined using the federal financial need

1 complete official aid application pursuant to Section 69433 and applicable regulations.

2 Subdivision (c) requires that a grade point average be submitted for all Cal Grant A and

3 B applicants, except for those permitted to provide test scores in lieu of a grade point

methodology pursuant to subdivision (a) of Section 69506 and applicable regulations adopted by the commission, and as established by Title IV of the Federal Higher Education Act of 1965 (20 U.S.C. Sections. 1070 et seq., as amended). The calculation of financial need shall be consistent with the commission's methodology for financial need for the 2000-01 academic year.

(1) "Expected family contribution," with respect to an applicant shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sections. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(2) Financial need is defined as the difference between the student's cost of attendance as determined by the commission and the expected family contribution. The calculation of financial need shall be consistent with the commission's methodology for determining financial need for the 2000-01 academic year as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sections. 1070 et seq.).

(3) (A) The minimum financial need required for receipt of an initial Cal Grant A or Cal Grant C award shall be not less than the maximum annual award value for the applicable institution, plus an additional one thousand five hundred dollars (\$1,500) of financial need.

(B) The minimum financial need required for receipt of an initial Cal Grant B award shall be no less than seven hundred dollars (\$700).

(c) The commission shall require that a grade point average be submitted for all Cal Grant A and B applicants, except for those permitted to provide test scores in lieu of a grade point average. The commission shall require that each report of a grade point average include a certification, executed under penalty of perjury, by a school official, that the grade point average reported is accurately reported. The certification shall include a statement that it is subject to review by the commission or its designee. The commission shall adopt regulations that establish a grace period for receipt of the grade point average and any appropriate corrections, and that set forth the circumstances under which a student may submit a specified test score designated by the commission, by regulation, in lieu of submitting a qualifying grade point average. It is the intent of the Legislature that high schools and institutions of higher education certify the grade point averages of their students in time to meet the application deadlines imposed by this chapter."

1 average. Each report of a grade point average is required to include a certification,
2 executed under penalty of perjury, by a school official, certifying that the grade point
3 average reported is accurately reported.

4 Education Code Section 69433⁹, subdivision (a)(1), provides that a Cal Grant

⁹ Education Code Section 69433, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) (1) A Cal Grant Program award shall be based upon the financial need of the applicant, and shall not exceed the calculated financial need for any individual applicant. The minimum level of financial need of each applicant shall be determined by the commission pursuant to Section 69432.9. The commission may provide renewal awards.

(2) A student attending a nonpublic institution shall receive a renewal award for tuition or fees, or both, in an amount not to exceed the maximum allowable award amount that was in effect in the year in which the student first received a new award.

(b) A Cal Grant award authorized pursuant to this chapter shall be defined as a full-time equivalent grant. An award to a part-time student shall be a fraction of a full-time grant, as determined by the commission.

(c) (1) The commission shall prescribe the use of standardized student financial aid applications for California. These applications shall be simple in nature, and collect common data elements required by the federal government and those elements needed to meet the objectives of state-funded and institutional financial aid programs.

(2) The applications prescribed in paragraph (1) shall be utilized for the Cal Grant Program, all other programs funded by the state or a public institution of postsecondary education (except for the Financial Assistance Program of the Board of Governors of the California Community Colleges authorized by Chapter 1118 of the Statutes of 1987, for which a simplified application designed for that sole purpose may be used), and all federal programs administered by a public postsecondary education institution.

(3) Supplemental application information may be utilized if the information is essential to accomplish the objectives of individual programs. All supplemental application information used for the purposes of commission-administered programs shall be subject to approval by the commission, and applications shall be identical for programs with similar objectives, as determined by the commission.

1 Program award shall be based upon the financial need of the applicant, and shall not
2 exceed the calculated financial need for any individual applicant. Subdivision (c)(1) of
3 Section 69433 requires the commission to prescribe the use of standardized student
4 financial aid applications for California. Therefore, community college districts are
5 required to make the standardized student financial aid applications available to its
6 students, to receive completed applications, and to forward them to the commission.

7 Education Code Section 69433.5¹⁰ sets forth the eligibility requirements for Cal

(4) Public postsecondary institutions are encouraged to use, but may decide whether to use, the standard applications for funds provided by private donors.

(5) The Legislature finds and declares that it is in the best interest of students that all postsecondary education institutions in California participating in federal and state-funded financial aid programs accept the standard applications prescribed by the commission.

(d) Nothing in this chapter shall prevent an individual public postsecondary institution from processing, with its own staff and fiscal resources, the standard financial aid applications specified in subdivision (c) for student aid programs for which it has legal responsibility.

(e) The commission may enter into contracts with a public agency or a private entity to improve the processing and distribution of grants, fellowships, and loans through the use of electronic networks and unified data bases.”

¹⁰ Education Code Section 69433.5, added by Chapter 403, Statutes of 2000, Section 4:

“(a) Only a resident of California, as determined by the commission pursuant to Part 41 (commencing with Section 68000), is eligible for an initial Cal Grant award. The recipient shall remain eligible for award renewal only if he or she is a California resident, in attendance, and making satisfactory academic progress at a qualifying institution, as determined by the commission.

(b) A part-time student shall not be discriminated against in the selection of Cal Grant Program award recipients, and an award to a part-time student shall be approximately proportional to the time the student spends in the instructional program, as determined by the commission. A first-time Cal Grant Program award recipient who is

1 Grant awards. Subdivision (h) requires community college districts to produce reports,
2 accounting, documents, or other necessary statements as requested by the commission.

3 Education Code Section 69433.6¹¹ provides that Cal Grant A and Cal Grant B

a part-time student shall be eligible for a full-time renewal award if he or she becomes a full-time student.

(c) Cal Grant Program awards shall be awarded without regard to race, religion, creed, sex, or age.

(d) No applicant shall receive more than one type of Cal Grant Program awards concurrently. Except as provided in Section 69440, no applicant shall:

(1) Receive one or a combination of Cal Grant Program awards in excess of the amount equivalent to the award level for a total of four years of full-time attendance in an undergraduate program, except as provided in Section 69433.6.

(2) Have obtained a baccalaureate degree prior to receiving a Cal Grant Program award, except as provided in Section 69440.

(e) A Cal Grant Program award, except as provided in Section 69440, may only be used for educational expenses of a program of study leading directly to an undergraduate degree or certificate, or for expenses of undergraduate coursework in a program of study leading directly to a first professional degree, but for which no baccalaureate degree is awarded.

(f) Commencing in 1999, the commission shall, for students who accelerate college attendance, increase the amount of award proportional to the period of additional attendance resulting from attendance in classes that fulfill requirements or electives for graduation may receive in a four-year period may not be increased as a result of accelerating his or her progress to a degree by attending summer terms, sessions, or quarters.

(g) The commission shall notify Cal Grant award recipients of the availability of funding for the summer term, session, or quarter through prominent notice in financial aid award letters, materials, guides, electronic information, and other means that may include, but not necessarily be limited to, surveys, newspaper articles, or attachments to communications from the commission and any other published documents.

(h) the commission may require, by the adoption of rules and regulations, the production of reports, accounting, documents, or other necessary statements from the award recipient and the college or university of attendance pertaining to the use or application of the award.

(i) A Cal Grant Program W award may be utilized only at a qualifying institution."

¹¹ Education Code Section 69433.6, added by Chapter 403, Statutes of 2000, Section 4:

1 awards may be renewed for a total of the equivalent of four years of full-time attendance
2 in an undergraduate program provided that financial need continues to exist. Therefore,
3 community college districts are required to provide renewal applications, receive
4 completed applications, and forward them to the commission. Subdivision (a) requires
5 community colleges to designate each student's educational level in his or her course of
6 study when the student initially receives payment for a grant.

7 Section 69433.7¹² requires the commission to adopt regulations necessary to

“(a) Cal Grant A awards and Cal Grant B awards may be renewed for a total of the equivalent of four years of full-time attendance in an undergraduate program provided that financial need continues to exist. Commencing with the 2001-02 academic year, the total number of years of eligibility for grants pursuant to this section shall be based on the student's educational level in his or her course of study as designated by the institution of attendance when the recipient initially receives payment for a grant.

(b) For a student enrolled in an institutionally prescribed five-year undergraduate program, Cal Grant A awards and Cal Grant B awards may be renewed for a total of five years of full-time attendance, provided that financial need continues to exist.

(c) (1) A Cal Grant Program award recipient who has completed a baccalaureate degree, and who has been admitted to and is enrolled in a program of professional teacher preparation at an institution approved by the California Commission on Teacher Credentialing is eligible for, but not entitled to, renewal of a Cal Grant Program award for an additional year of full-time attendance, if financial need continues to exist.

(2) Payment for an additional year is limited to only those courses required for an initial teaching authorization. An award made under this subdivision may not be used for other courses.

(d) A student's Cal Grant renewal eligibility shall not have lapsed more than 15 months prior to the payment of an award for purposes of this section.”

¹² Education Code Section 69433.7, added by Chapter 403, Statutes of 2000, Section 4:

“The commission shall adopt regulations necessary to implement this chapter. Notwithstanding any other provision of law, the commission may adopt emergency

1 implement the Cal Grant Program.

2 CAL GRANT A ENTITLEMENT PROGRAM

3 Education Code Section 69434¹³, subdivision (a), provides that, commencing with

regulations pursuant to Section 11346.1 of the Government Code in order to ensure that the program enacted by this chapter may function in its first academic year.”

¹³ Education Code Section 69434, added by Chapter 403, Statutes of 2000, Section 4:

“(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant A award shall be used only for tuition or student fees, or both, in a for-credit instructional program with a length of not less than two academic years. Each student who meets the Cal Grant A qualifications as set forth in this article shall be guaranteed an award. The amount of any individual award is dependent on the cost of tuition or fees, or both, at the qualifying institution at which the student is enrolled. For each applicant, the award amount shall not exceed the calculated financial need.

(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student’s household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(c) A student who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for tuition or fees, or both, pursuant to

1 the 2001-02 academic year, a Cal Grant A award shall be used only for tuition or student
2 fees, or both, in a for-credit instructional program with a length of not less than two
3 academic years. Subdivision (b)(1) requires the student to submit a completed financial
4 aid package with his or her application. Therefore, community college districts are
5 required to provide financial aid packages, receive completed packages and to submit
6 them to the commission. Chapter 8, Statutes of 2001, Section 1, amended Section
7 69434, subdivision (b)¹⁴ to add an additional criteria for eligibility: that the student have

Section 66021.2.”

¹⁴ Education Code Section 69434, added by Chapter 403, Statutes of 2000, Section 4, as amended by Chapter 8, Statutes of 2001, Section 1:

“(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student’s household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least ~~part-time~~ part time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.”

1 graduated from high school or its equivalent during or after the 2000-2001 academic
2 year.

3 Education Code Section 69434.5¹⁵ provides that an individual selected for a Cal
4 Grant A award who enrolls in a California community college may elect to have the
5 award held in reserve for him or her for a period not to exceed two academic years,
6 except that the commission may extend the reserve period to three years if the rate of
7 academic progress has been as rapid as could be expected for the personal and
8 financial conditions that the student has encountered. Section 69434.5 further provides
9 that the commission may prescribe the forms and procedures to be utilized for the
10 purposes of this section. Therefore, community colleges are required to provide
11 prescribed forms to students and follow designated procedures in the processing and

¹⁵ Education Code Section 69434.5, added by Chapter 403, Statutes of 2000,
Section 4:

“An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him on her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission’s judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual will be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient’s years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution.”

1 submission of requests for the reservation of awards. Chapter 159, Statutes of 2001,
2 Section 80, amended Section 69434.5 to make a technical change.

3 CAL GRANT B ENTITLEMENT AWARDS

4 Section 69435¹⁶ provides that Cal Grant B awards may be used only for tuition,
5 student fees, and access costs¹⁷ in a for-credit instructional program that is not less than
6 one academic year in length.

¹⁶ Education Code Section 69435, added by Chapter 403, Statutes of 2000,
Section 4:

"(a) (1) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant B award shall be used only for tuition, student fees, and access costs in a for-credit instructional program that is not less than one academic year in length.

(2) The commission shall award access grants in a student's first academic year. In subsequent years, the award shall include an additional amount to pay tuition or fees, or both, to attend college at a public or private four-year college or university or other qualifying institution for all Cal Grant B awards pursuant to paragraph (2) of subdivision (b) of Section 66021.2. In no event shall the total award in any year exceed the applicant's calculated financial need.

(3) Not more than 2 percent of new Cal Grant B recipients enrolling for the first time in an institution of postsecondary education shall be eligible for payments for tuition or fees, or both, in their first academic year of attendance. The commission shall adopt regulations specifying the criteria used to determine which applicants, if any, receive both tuition and fees plus the access grant in the first year of enrollment. Priority shall be given to students with the lowest expected family contribution pursuant to Section 69432.7 and the highest level of academic merit.

(b) An award for access costs under this article shall be in an annual amount not to exceed one thousand five hundred fifty one dollars (\$1,551). This amount may be adjusted in the annual Budget Act. "

¹⁷ Education Code Section 69432.7(b) defines "access costs" as living expenses and expenses for transportation, supplies and books.

1 Education Code Section 69435.3¹⁸ entitles any California resident to receive a
2 Cal Grant B award, and the commission is required to allocate that award pursuant to
3 Section 66021.2 for each student who qualifies. Therefore, community colleges are
4 required to receive, process and submit applications for Cal Grant B awards and
5 completed financial aid applications to the commission. Chapter 8, Statutes of 2001,
6 Section 2, amended Section 69435.3¹⁹, subdivision (a), to add the additional criteria that

¹⁸ Education Code Section 69435.3, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 2.0 on a four-point scale.

(4) The student’s household has an income and asset level that does not exceed the level for Cal Grant B recipients as set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than one academic year that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(b) A student whose household income does not exceed the maximum household income and asset levels, as set forth in Section 69432.7, for a Cal Grant B award shall receive access costs and tuition and fees pursuant to Section 66021.2.”

¹⁹ Education Code Section 69435.3, added by Chapter 403, Statutes of 2000, Section 4, as amended by Chapter 8, Statutes of 2001, Section 2; effective May 4,

1 the student applicant have graduated from high school or its equivalent during or after
2 the 2000-2001 academic year. Subdivision (b) was amended to make technical
3 changes.

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2001:

“(a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 2.0 on a four-point scale.

(4) The student’s household has an income and asset level that does not exceed the level for Cal Grant B recipients as set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than one academic year that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.

~~(b) A student whose household income does not exceed the maximum household income and asset levels, as set forth in Section 69432.7, for a~~ who meets the Cal Grant B award Entitlement Program criteria specified in this article shall receive a Cal Grant B award for access costs and tuition and fees pursuant to Section 66021.2.”

1 CALIFORNIA COMMUNITY COLLEGE TRANSFER CAL GRANT ENTITLEMENT
2 PROGRAM

3 Section 69436²⁰ provides that students who have earned a community college

²⁰ Education Code Section 69436, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of his or her high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program, meets all of the criteria set forth in subdivision (b), shall be entitled to a Cal Grant A or B award.

(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree is entitled to receive, and the commission shall award, a Cal Grant A or B award depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:

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

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

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

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

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

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

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

(8) The student meets the federal definition of a dependent student, as set forth in Section 152 of Title 26 of the United States Code, with the exception of:

(A) A student who is an orphan or a ward of the court and who will not be 24 years old or older by December 31 of the award year.

(B) A student who is a veteran of the United States Armed Forces and who will not be 24 years old or older by December 31 of the award year.

(C) A student who is a married person and who will not be 24 years

1 grade point average of at least 2.4 on a 4.0 scale, are eligible to transfer to a qualifying
2 institution that offers a baccalaureate program and were not awarded a Cal Grant A or B
3 award at the time of his or her high school graduation but, at the time of transfer from a
4 California community college to a qualifying baccalaureate program, meet all of the
5 criteria set forth in subdivision (b), are entitled to a Cal Grant A or B award. Therefore,
6 community college districts are required to receive, process and submit completed
7 financial aid applications to the commission, along with verifications of community
8 college grade point averages. Chapter 8, Statutes of 2001, Section 3, amended Section
9 69436 to make technical changes.

old or older by December 31 of the award year.

(D) A student who will not be 24 years old or older by December 31 of the award year and who has dependents other than a spouse.

(E) A student who will not be 24 years old or older by December 31 of the award year and for whom a financial aid administrator makes documented determination of independence by reason of other unusual circumstances.

(9) A student who graduated from a California high school or its equivalent during or after the 2001-02 academic year.

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

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

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

1 Section 69436.5²¹ requires participating qualifying institutions to report to the
2 commission annually as to the number of students determined to be independent
3 pursuant to subparagraph (E) of paragraph (8) of subdivision (b) of Section 69436 and
4 the reasons therefor. Therefore, community colleges are required to report to the
5 commission annually as to the number of students under the age of 24 who are
6 determined to be independent by a financial aid administrator, who makes a
7 documented determination of the reasons, including any unusual circumstances.

8 COMPETITIVE CAL GRANT A AND B AWARDS

9 Section 69437²² established the Competitive Cal Grant A and B award program,

²¹ Education Code Section 69436.5, added by Chapter 403, Statutes of 2000,
Section 4:

“A participating qualifying institution shall report to the commission annually as to the number of students determined to be independent pursuant to subparagraph (E) of paragraph (8) of subdivision (b) of Section 69436 and the reasons therefor.”

²² Education Code Section 69437, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) Commencing with the 2001-02 academic year, and each academic year thereafter, there shall be established the Competitive Cal Grant A and B award program for students who did not receive a Cal Grant A or 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) A total of 22,500 Cal Grant A and 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).

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commencing with the 2001-02 academic year, for students who did not receive a Cal

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

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

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

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

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

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

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

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

1 Grant A or B entitlement award. Pursuant to subdivision (b), 50 percent of the awards
2 are available to all students, including community college students, and 50 percent of
3 the awards are reserved for students who will be enrolled at a California community
4 college. Therefore, community college districts will be required to provide application
5 forms for competitive Cal Grant A and B awards, receive completed forms and submit
6 them to the commission for both students transferring from a community college and for
7 students entering a community college.

8 Section 69437.3²³, subdivision (a) requires the commission to utilize the
9 standardized student financial aid application described in Section 69432.9. Subdivision
10 (b) requires students enrolled at a community college to submit the standardized form no
11 later than March 2 or September 2. Therefore, community college districts are required
12 to supply standardized student financial aid application forms, accept completed forms
13 and submit them to the commission twice a year.

14 Education Code Section 69437.6²⁴ sets forth the requirements that an applicant

²³ Education Code Section 69437.3, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) The commission shall utilize the standardized student financial aid application
described in Section 69432.9.

“(b) An official financial aid application shall be submitted pursuant to Section
69432.9, submitted or postmarked no later than March 2, or September 2 for students
enrolled at a community college.”

²⁴ Education Code Section 69437.6, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) An applicant competing for an award under this article shall meet all the

1 competing for a competitive award under this article (commencing with Section 69430)
2 must meet. Subdivision (f) permits an individual selected for a Cal Grant A award who
3 enrolls in a California community college to elect to have the award held in reserve for
4 him or her for a period not to exceed two academic years, except that the commission

requirements of Article 1 (commencing with Section 69430).

(b) To compete for a competitive Cal Grant A Award, an applicant shall, at a minimum, meet all of the requirements of Article 2 (commencing with Section 69434), with the exception of paragraph (1) of subdivision (b) of Section 69434.

(c) To compete for a competitive Cal Grant B award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435). However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative units of credit for academic coursework at an accredited California community college, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.

(d) To compete for a competitive California Community College Transfer Cal Grant Award, an applicant shall, at a minimum, meet the requirements of Article 4 (commencing with Section 69436), with the exception of paragraph (8) of subdivision (b) of Section 69436.

(e) All other competitors shall, at a minimum, comply with all of the requirements of subdivision (b) of Section 69432.9.

(f) An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual will be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution. Any award so held in reserve shall only be counted once toward the 22,500 awards authorized by this article."

1 may extend the period in which his or her award may be held in reserve for up to three
2 academic years if, in the commission's judgment, the rate of academic progress has
3 been as rapid as could be expected for the personal and financial conditions that the
4 student has encountered. Therefore, community colleges are required to provide
5 prescribed forms to students who request a reservation of awards, to process those
6 requests and submit them to the commission. Chapter 159, Statutes of 2001, Section
7 81, amended Section 69437.6, subdivision (c)²⁵ to allow an applicant to reestablish his
8 or her grade point average by completing at least 16 cumulative units of credit for
9 academic coursework at an accredited California community college in lieu of meeting
10 the grade point average requirements of paragraph (3) of subdivision (a) of Section
11 69435.3. Therefore, for the first time, community college districts are required to
12 calculate, verify and submit grade point averages when requested by students who
13 wish to reestablish their grade point averages.

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²⁵ Education Code Section 69437.6, added by Chapter 403, Statutes of 2000, Section 4, as amended by Chapter 159, Statutes of 2001, Section 81:

“(c) To compete for a competitive Cal Grant B award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435). However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative units of credit for academic coursework at an accredited California community college, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.”

1 CAL GRANT C PROGRAM

2 Education Code Section 69439²⁶ provides that a Cal Grant C award shall be
3 utilized only for occupational or technical training in a course of not less than four
4 months. To the extent that community college districts offer "occupational or technical
5 training", they are required to receive, process, and submit applications for Cal Grant C
6 awards.

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²⁶ Education Code Section 69439, added by Chapter 403, Statutes of 2000,
Section 4:

"(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant C award shall be utilized only for occupational or technical training in a course of not less than four months. There shall be the same number of Cal Grant C awards each year as were made in the 2000-01 fiscal year. The maximum award amount and the total amount of funding shall be determined each year in the annual budget act.

(b) "Occupational or technical training" means that phase of education coming after the completion of a secondary school program and leading toward recognized occupational goals approved by the commission.

(c) The commission may use criteria it deems appropriate in selecting students with occupational talents to receive grants for occupational or technical training.

(d) The Cal Grant C recipients shall be eligible for renewal of their grants until they have completed their occupational or technical training in conformance with terms prescribed by the commission. In no case shall the grants exceed two calendar years.

(e) Cal Grant C awards shall be for institutional fees, charges, and other costs including tuition, plus training-related costs, such as special clothing, local transportation, required tools, equipment, supplies, and books. In determining the amount of grants and training-related costs, the commission shall take into account other state and federal programs available to the applicant.

(f) Cal Grant C awards shall be awarded in areas of occupational or technical training as determined by the commission after consultation with appropriate state and federal agencies."

1 CAL GRANT T AWARDS

2 Education Code Section 69440²⁷ establishes the Cal Grant T Award which shall
3 be used only for tuition and student fees for a maximum of one academic year of full-
4 time attendance in a program of professional preparation that has been approved by the
5 California Commission on Teacher Credentialing. In order to receive an award, the
6 recipient must teach for one year in low-performing schools, as defined in subdivision (c)
7 of Section 44765. Therefore, to the extent that community college districts offer
8 programs of professional preparation that have been approved by the California
9 Commission on Teacher Credentialing, they are required to receive, process and submit
10 applications for Cal Grant T awards.

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²⁷ Education Code Section 69440, added by Chapter 403, Statutes of 2000,
Section 4:

“(a) Commencing with the 2001-02 academic year, and each academic year thereafter, Cal Grant T awards shall be used only for tuition and student fees for a maximum of one academic year of full-time attendance in a program of professional preparation that has been approved by the California Commission of Teacher Credentialing. There shall be a minimum of 3,000 new Cal Grant T awards each year. The maximum award amount, and the total amount of funding, shall be determined each year in the annual Budget Act. As a condition of receiving a Cal Grant T award, a recipient shall teach for one year in a low-performing school, as defined in subdivision (c) of Section 44765, for each two thousand dollar (\$2,000) incentive provided through the Cal Grant T Program, for a period not to exceed four years. Any recipient who fails to meet his or her teaching obligation shall repay the Cal Grant T award.

(b) The commission shall allocate Cal Grant T awards using academic criteria or criteria related to past performance similar to that used in awarding Cal Grant A awards for the 2000-01 academic year.”

1 **COMMUNITY COLLEGE STUDENT FINANCIAL AID OUTREACH PROGRAM**

2 Education Code Section 69514.5²⁸ establishes the Community College Student
3 Financial Aid Outreach Program. This program is to be developed and administered by
4 the commission, in consultation with the Chancellor of the California Community
5 Colleges, for the purpose of providing financial aid training to high school and
6 community college counselors and advisors who work with students planning to attend

²⁸ Education Code Section 69514.5, added by Chapter 403, Statutes of 2000,
Section 5:

“(a) The Community College Student Financial Aid Outreach Program is hereby established. The commission shall, in consultation with the office of the Chancellor of the California Community Colleges, develop and administer this program for the purpose of providing financial aid training to high school and community college counselors and advisors who work with students planning to attend or attending a community college. This training shall also address the specific needs of all of the following:

- (1) Community college students intending to transfer to a four-year institution of higher education.
- (2) Foster youth.
- (3) Students with disabilities.

(b) The program shall provide specialized information on financial aid opportunities available to community college students, with a particular focus on students who plan to transfer to a four-year college or university. The commission shall work in collaboration with the Chancellor of the California Community Colleges and other segments of higher education to develop and distribute this specialized information to assist community college students who are planning to transfer to a four-year college or university. Each year, the program shall offer financial aid workshops for high school and community college counselors, targeted for students planning to attend a community college or to transfer from a community college to a four-year institution of higher education. The program shall assist community college counselors in conducting student and family workshops that provide general information about financial aid and technical assistance in completing financial aid forms.

(c) The program shall concentrate its efforts on high schools and community colleges that are located in geographic areas that have a high percentage of low-income families.”

1 or attending a community college. Subdivision (b) provides that each year, the program
2 shall offer financial aid workshops for high school and community college counselors,
3 targeted for students planning to attend a community college or to transfer from a
4 community college to a four-year institution of higher education. The program shall
5 assist community college counselors in conducting student and family workshops that
6 provide general information about financial aid and technical assistance in completing
7 financial aid forms. Therefore, community college districts are required to provide
8 counselors to train for and provide specialized information to its students who plan to
9 transfer to a four-year college or university. These counselors are also required to
10 conduct student and family workshops to provide general information about financial aid
11 and technical assistance in completing financial aid forms.

12 TITLE 5. CALIFORNIA CODE OF REGULATIONS

13 Applicable regulations for Cal Grants are found in Title 5, California Code of
14 Regulations, Sections 30000 through 30033.

15 Title 5, California Code of Regulations, Section 30002²⁹ requires eligible
16 applicants to also submit supplements and transcripts of academic record. Therefore,
17 for the first time, districts are also required to accept supplemental material and

²⁹ Title 5, California Code of Regulations, Section 30002:

“An eligible applicant is any person who has successfully met the requirements set forth in Sections 69530 to 69547, Education Code, and has submitted in proper form and prior to established deadlines such applications, supplements and transcripts of academic record, and financial and other information as the California Student Aid Commission may direct.”

1 academic transcripts and submit them to the commission along with applications.

2 Title 5, California Code of Regulations, Section 30007³⁰, subdivision (a), sets

³⁰ Title 5, California Code of Regulations, Section 30007:

"(a) General.

(1) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree. A college grade point average or a community college grade point average must be computed for a minimum of 24 semester units or its equivalent regardless of the grade received.

(2) "All college work completed" includes all coursework for which grades are known to the official reporting the grade point average and accepted for credit at the school reporting the grade point average regardless of the grade received.

(3) It is the responsibility of the student applicant to have his or her college or community college report a grade point average.

(b) College Grade Point Average.

(1) For purposes of computing a college grade point average by an institution that grants a baccalaureate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for a baccalaureate degree from the reporting institution.

(2) For purposes of computing a college grade point average by a postsecondary institution that grants an associate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for an associate degree at the reporting institution.

(3) For purposes of computing a college grade point average by a postsecondary institution that does not grant a baccalaureate or an associate degree:

(A) "nontransferable units" are those units which are not used in satisfying requirements for earning a baccalaureate degree from a California public institution of higher education that grants such a degree.

(B) "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are any courses for which the earned grade is not used in the

1 forth how community college grade point averages are to be calculated. Subdivision
2 (a)(3) requires community college districts to report a student's grade point average
3 whenever requested by the student. Subdivision (d) of Section 30007 requires that
4 every community college grade point average reported to the Commission include a
5 certification under penalty of perjury by the district official filing the report that the grade
6 point average is accurately reported. Therefore, prior to submission, community college
7 school officials are required to certify grade point averages, as accurately reported,
8 executed under penalty of perjury.

9 Title 5, California Code of Regulations, Section 30023³¹, subdivision (a), requires

computation of a grade point average in determining admission eligibility,
whether or not units earned for the course are transferable to such an
institution.

(c) Community College Grade Point Average.

For purposes of computing a community college grade point average for a Cal Grant Award pursuant to the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" mean all courses except "Associate Degree Credit Courses" as defined by Title 5, Chapter 6, Article 1, Section 55002(a) of the California Code of Regulations.

(d) Certification.

Every college grade point average and community college grade point average reported to the Commission shall include a certification under penalty of perjury to the best of his or her knowledge from the school official filing the report that the grade point average is accurately reported. The certification shall include a statement that it is subject to review by the Commission or its designee."

³¹ Title 5, California Code of Regulations, Section 30023:

"(a) All Cal Grant A and B applicants shall submit a grade point average pursuant to section 30007, 30008 or 30026.

(1) For a Competitive Cal Grant award pursuant to Article 5 (beginning

1 applicants to submit grade point averages to the commission pursuant to sections
2 30007, 30008 or 30026. Subdivision (c) allows the commission to accept, on a case-by-
3 case basis, the submission of grade point averages from districts after the established
4 deadline if circumstances beyond the control of the applicant delayed or prevented
5 timely submission. Subdivision (d) provides a grace period of ten days, after notice to
6 applicants or officials who submit timely but incomplete grade point averages, to

with Education Code section 69437) of the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, a student who does not have a grade point average pursuant to section 30007 or 30008 or whose grade point average is more than 5 years old may submit a test score from the General Educational Development test (GED), the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

(2) It is the responsibility of the applicant to have a grade point average or test score reported.

(b) A standardized test score for each approved test shall be converted to an equivalent grade point average by the Commission using the national distribution of test scores as compared to the distribution of grade point averages on a 0.00 to 4.00 scale. The grade point equivalencies shall be calculated based upon research from the testing agency for each approved test.

(c) The Commission may, on a case-by-case basis, accept the submission of grade point average(s) from institutions after the established deadline if, in the opinion of the Executive Director, circumstances beyond the control of the applicant delayed or prevented the timely submission of the grade point average(s) by the reporting institution(s) by the established deadline. In such cases, any request to the Executive Director to accept grade point average(s) after the established deadline shall be received by the Commission no later than twenty (20) days after the established deadline and the computed grade point average(s) shall be included with the request.

(d) Applicants or officials who submit a timely but incomplete or incorrect grade point average shall have a grace period of ten (10) days after the mailing of notice by the Commission to file a corrected or completed grade point average. A corrected or completed submission postmarked within the 10 day period shall be deemed to comply with this requirement."

1 resubmit corrected grade point averages. Therefore, for the first time, districts are
2 required, when necessary, to request leave to file grade point averages after the
3 established deadline. Therefore, also for the first time, districts are required to submit
4 corrected grade point averages within 10 days after notice that an original submission
5 was incomplete or incorrect.

6 Title 5, California Code of Regulations, Section 30026³², provides that an
7 applicant seeking to reestablish his or her grade point average pursuant to Education
8 Code section 69437.6(c) may do so by providing a grade point average computed
9 pursuant to Section 30007(c) for at least 16 academic semester units or its equivalent
10 from an accredited California community college. It is the responsibility of the applicant
11 to have his or her community college report a grade point average. Therefore,
12 community colleges are required to receive and process requests to compute and report
13 grade point averages for students seeking to reestablish grade point averages.

14 Pursuant to Title 5, California Code of Regulations, Section 30027³³, applicants

³² Title 5, California Code of Regulations, Section 300026:

“An applicant seeking to reestablish his or her grade point average pursuant to Education Code section 69437.6(c) may do so by providing a grade point average computed pursuant to Section 30007(c) for at least 16 academic semester units or its equivalent from an accredited California community college. It is the responsibility of the applicant to have his or her community college report a grade point average.”

³³ Title 5, California Code of Regulations, Section 30027:

“An applicant seeking to establish “occupational talents” pursuant to Education

1 for Cal Grant C awards are required to submit supplemental information, including work
2 histories and recommendations from teachers, when attempting to establish
3 “occupational talents.” Therefore, community college districts are also required to
4 receive and process work histories and recommendations, along with Cal Grant C
5 applications, and forward them to the commission.

6 Title 5, California Code of Regulations, Section 30032³⁴, requires that refunds of
7 unused award funds previously paid to a college be based on the published regulations
8 of the college as certified to the Commission. Therefore, community colleges are
9 required to receive Cal Grants when awarded, apply them only to customary tuition and
10 necessary fees, and refund unused awards based upon regulations as certified to the
11 Commission.

12 PART III. STATEMENT OF THE CLAIM

13 SECTION 1. COSTS MANDATED BY THE STATE

14 The Statutes, Education Code Sections, and California Code of Regulations

Code section 69439 may do so by submitting any of the following supplemental information:

- (a) applicant's work history (including unpaid internships) in the field; and/or
- (b) recommendations from teachers or persons working in the applicant's occupational or technical field.”

³⁴ Title 5, California Code of Regulations, Section 30032:

“Refund or unused award funds previously paid to a school or college shall be based on the published regulations of the school or college concerned, as certified to the Commission by such school or college.”

1 sections referenced in this test claim result in community college districts incurring costs
2 mandated by the state, as defined in Government Code section 17514³⁵, by creating
3 new state-mandated duties related to the uniquely governmental function of providing
4 public services and education to students and these statutes apply to community college
5 districts and do not apply generally to all residents and entities in the state.³⁶

6 The new duties mandated by the state upon community college districts require
7 state reimbursement of the direct and indirect costs of labor, materials and supplies,
8 data processing services and software, contracted services and consultants, equipment
9 and capital assets, staff and student training and travel to implement the following
10 activities:

11 A) To enact and implement, and periodically update, policies and procedures

³⁵ Government Code section 17514, as added by Chapter 1459/84:

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIII B of the California Constitution.

³⁶ Public schools are a Article XIII B, Section 6 "program," pursuant to Long Beach Unified School District v. State of California, (1990) 225 Cal.App.3d 155; 275 Cal.Rptr. 449:

"In the instant case, although numerous private schools exist, education in our society is considered to be a peculiarly government function. (Cf. Carmel Valley Fire Protection Dist. V. State of California (1987) 190 Cal.App.3d at p.537) Further, public education is administered by local agencies to provide service to the public. Thus public education constitutes a 'program' within the meaning of Section 6."

1 necessary to implement the requirements of the Cal Grant program as
2 established by the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant
3 Program as set forth in Education Code Sections 69430 through 69440
4 and Title 5 regulations enacted pursuant thereto.

5 B) Pursuant to Education Code Section 69432.8, receiving and accounting for
6 advance payments received from the Student Aid Commission and
7 disbursing those funds in accordance with the provisions set forth in the
8 institutional agreement between the district and the commission.

9 C) Pursuant to Education Code Section 69432.9, subdivision (a), providing
10 official financial aid application forms (FAFSA - Free Application for
11 Federal Student Aid) to students who request them and assisting those
12 students by answering questions they may have regarding that form and
13 assisting them in its completion.

14 D) Pursuant to Education Code Section 69432.9, subdivision (c), certifying
15 grade point averages for students requesting certifications.

16 E) Pursuant to Education Code Section 69433, subdivision (a), providing
17 award renewal application forms to students who request them and
18 assisting those students by answering questions they may have regarding
19 that form and assisting them in its completion.

20 F) Pursuant to Education Code Section 69433, subdivision (c), providing
21 standardized student financial aid applications, as prescribed by the

- 1 Student Aid Commission for all Cal Grant programs.
- 2 G) Pursuant to Education Code Section 69433.5, subdivision (h), producing
3 reports, accounting, documents, or other necessary statements to the
4 Student Aid Commission pursuant to its rules and regulations.
- 5 H) Pursuant to Education Code Section 69433.6, subdivision (a), designating
6 a student's educational level in his or her course of study when the student
7 initially receives payment for a grant.
- 8 I) Pursuant to Education Code Section 69433.7, complying with regulations
9 adopted by the Student Aid Commission as necessary to implement the
10 Chapter.
- 11 J) Pursuant to Education Code Section 69434, subdivision (b)(1), providing
12 financial aid applications to students who request them and who are
13 seeking Cal Grant A awards and assisting those students by answering
14 questions they may have regarding that form and assisting them in its
15 completion.
- 16 K) Pursuant to Education Code Section 69434.5, providing forms and
17 procedures to individuals selected for a Cal Grant A award who elect to
18 have the award held in trust and assisting those students by answering
19 questions they may have regarding those forms and procedures and
20 assisting them in their completion.
- 21 L) Pursuant to Education Code Section 69434.5, providing forms and

1 procedures to individuals who request them and who are requesting
2 transfer of Cal Grant A awards held in trust to a tuition or fee charging
3 qualifying institution and assisting those students by answering questions
4 they may have regarding that form and assisting them in its completion.

5 M) Pursuant to Education Code Section 69435 and Section 69435.3,
6 subdivision (a)(1), providing financial aid applications to students who
7 request them and who are seeking Cal Grant B awards, and assisting
8 those students by answering questions they may have regarding that form
9 and assisting them in its completion

10 N) Pursuant to Education Code Section 69436, providing official financial aid
11 applications to students who request them and who are applying for a Cal
12 Grant A or a Cal Grant B award upon transfer from a community college to
13 a qualifying baccalaureate program and assisting those students by
14 answering questions they may have regarding that form and assisting
15 them in its completion.

16 O) Pursuant to Education Code Section 69436.5, reporting to the Student Aid
17 Commission annually as to the number of students determined to have
18 financial need pursuant to section 69436.

19 P) Pursuant to Education Code Section 69437 and 69437.3, providing
20 standardized financial aid applications to students who request them and
21 who are seeking competitive Cal Grant A and Cal Grant B awards and

1 assisting those students by answering questions they may have regarding
2 that form and assisting them in its completion.

3 Q) Pursuant to Education Code Section 69437.6, subdivision (f), providing
4 forms and procedures to individuals who request them and who are
5 requesting transfer of competitive Cal Grant A awards held in trust to a
6 tuition or fee charging qualifying institution and assisting those students by
7 answering questions they may have regarding that form and assisting
8 them in its completion.

9 R) Pursuant to Education Code Section 69439, providing standardized
10 financial aid applications to students who request them and who are
11 seeking competitive Cal Grant C awards and assisting those students by
12 answering questions they may have regarding that form and any
13 supplemental forms provided by the commission and assisting them in
14 their completion.

15 S) Pursuant to Education Code Section 69439, subdivision (d), providing
16 standardized financial aid applications to students who request them and
17 who are seeking renewals of competitive Cal Grant C awards and
18 assisting those students by answering questions they may have regarding
19 that form and assisting them in its completion.

20 T) Pursuant to Education Code Section 69440, providing standardized
21 financial aid applications to students who request them and who are

1 seeking Cal Grant T awards and assisting those students by answering
2 questions they may have regarding that form and assisting them in its
3 completion.

4 U) Pursuant to Education Code Section 69514.5, subdivision (a), training
5 community college counselors and advisors who work with students
6 planning to attend or who are attending a community college and planning
7 to transfer to a four-year college.

8 V) Pursuant to Education Code Section 69514.5, subdivision (b), conducting
9 student and family workshops that provide general information about
10 financial aid and technical assistance in completing financial aid forms.

11 **TITLE 5, CALIFORNIA CODE OF REGULATIONS**

12 A) Pursuant to Title 5, California Code of Regulations, Section 30002,
13 accepting supplemental information and academic transcripts from
14 applicants and submitting them to the commission.

15 B) Pursuant to Title 5, California Code of Regulations, Section 30007,
16 subdivision (d), certifying, under penalty of perjury, that community college
17 grade point averages have been accurately reported when requested by
18 students and submitting them to the commission.

19 C) Pursuant to Title 5, California Code of Regulations, Section 30023,
20 subdivision (c), submitting facts to the commission which show
21 circumstances beyond the control of the applicant when requesting leave

1 to file grade point averages after the established deadline.

2 D) Pursuant to Title 5, California Code of Regulations, Section 30023,
3 subdivision (d), resubmitting a corrected or completed grade point average
4 within 10 days after notice from the commission that the district has
5 submitted a timely but incomplete or incorrect grade point average.

6 E) Pursuant to Title 5, California Code of Regulations, Section 30026,
7 providing a grade point average computed pursuant to Section 30007(c)
8 for at least 16 academic units when requested by a student seeking to
9 reestablish his or her grade point average.

10 F) Pursuant to Title 5, California Code of Regulations, Section 30027,
11 receiving from students supplemental information when seeking Cal Grant
12 C awards, including work histories, teacher recommendations and
13 recommendations from other persons, and submitting them to the
14 commission along with their applications.

15 G) Pursuant to Title 5, California Code of Regulations, Section 30032,
16 refunding unused award funds previously received based upon published
17 regulations of the district, as certified to the commission.

18 SECTION 2. EXCEPTIONS TO MANDATE REIMBURSEMENT

19 None of the Government Code Section 17556³⁷ statutory exceptions to a

³⁷ Government Code section 17556, as last amended by Chapter 589, Statutes of
1989:

1 finding of costs mandated by the state apply to this test claim. Note, that to the
2 extent community college districts may have previously performed functions
3 similar to those mandated by the referenced code sections, such efforts did not
4 establish a preexisting duty that would relieve the state of its constitutional
5 requirement to later reimburse community college districts when these activities

“The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that:

(a) The claim is submitted by a local agency or school district which requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district which requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph.

(b) The statute or executive order affirmed for the state that which had been declared existing law or regulation by action of the courts.

(c) The statute or executive order implemented a federal law or regulation and resulted in costs mandated by the federal government, unless the statute or executive order mandates costs which exceed the mandate in that federal law or regulation.

(d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service.

(e) The statute or executive order provides for offsetting savings to local agencies or school districts which result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate.

(f) The statute or executive order imposed duties which were expressly included in a ballot measure approved by the voters in a statewide election.

(g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.”

1 became mandated.³⁸

2 SECTION 3. FUNDING PROVIDED FOR THE MANDATED PROGRAM

3 Funds may be available for financial aid and student outreach programs.

4 To the extent these funds are appropriated and actually received specifically for
5 the administration of the Cal Grant program, those funds would reduce the costs
6 mandated.

7 PART IV. ADDITIONAL CLAIM REQUIREMENTS

8 The following elements of this claim are provided pursuant to Section
9 1183, Title 2, California Code of Regulations:

10 Exhibit 1: Declaration of Toni Du Bois
11 Long Beach Community College District

12
13 Exhibit 2: Copies of Statutes Cited
14
15 Chapter 159, Statutes of 2001
16 Chapter 8, Statutes of 2001
17 Chapter 403, Statutes of 2000

18
19 Exhibit 3: Copies of Code Sections Cited
20
21 Education Code Section 69432.8
22 Education Code Section 69432.9
23 Education Code Section 69433
24 Education Code Section 69433.5
25 Education Code Section 69433.6

³⁸ Government Code section 17565, added by Chapter 879, Statutes of 1986:

“If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.”

Test Claim of Long Beach Community College District
Chapter 159, Statutes of 2001 - Cal Grants

- 1 Education Code Section 69433.7
- 2 Education Code Section 69434
- 3 Education Code Section 69434.5
- 4 Education Code Section 69435
- 5 Education Code Section 69435.3
- 6 Education Code Section 69436
- 7 Education Code Section 69436.5
- 8 Education Code Section 69437
- 9 Education Code Section 69437.3
- 10 Education Code Section 69437.6
- 11 Education Code Section 69439
- 12 Education Code Section 69440
- 13 Education Code Section 69514.5

14
15 Exhibit 4: Copies of Title 5, California Code of Regulations Cited

- 16
- 17 Section 30002
- 18 Section 30007
- 19 Section 30023
- 20 Section 30026
- 21 Section 30027
- 22 Section 30032

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PART V. CERTIFICATION

I certify by my signature below, under penalty of perjury, that the statements made in this document are true and complete of my own knowledge or information and belief.

Executed on May 29, 2003, at Long Beach, California by:



Victor R. Collins
Executive Vice President - Human Resources

Voice: 562-938-4397
Fax: 562-938-4364

PART VI. APPOINTMENT OF REPRESENTATIVE

Long Beach Community College District appoints Keith B. Petersen, SixTen and Associates, as its representative for this test claim.



Victor R. Collins
Vice President - Human Resources

5-29-03

Date

Exhibit 1
Declaration of Toni Du Bois
Long Beach Community College District

Declaration of Toni Du Bois
Test Claim of Long Beach Community College District
Chapter 159, Statutes of 2001, Cal Grants

1 and requirements of the Statutes, Education Code Sections and Title 5 Regulations
2 enumerated above.

3 These Education Code sections require Long Beach Community College District
4 to:

5 A) To enact and implement, and periodically update, policies and procedures
6 necessary to implement the requirements of the Cal Grant program as
7 established by the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program as
8 set forth in Education Code Sections 69430 through 69440 and Title 5 regulations
9 enacted pursuant thereto.

10 B) Pursuant to Education Code Section 69432.8, receiving and accounting for
11 advance payments received from the Student Aid Commission and disbursing
12 those funds in accordance with the provisions set forth in the institutional
13 agreement between the district and the commission.

14 C) Pursuant to Education Code Section 69432.9, subdivision (a), providing official
15 financial aid application forms (FAFSA - Free Application for Federal Student Aid)
16 to students who request them and assisting those students by answering
17 questions they may have regarding that form and assisting them in its completion.

18 D) Pursuant to Education Code Section 69432.9, subdivision (c), certifying grade
19 point averages for students requesting certifications.

20 E) Pursuant to Education Code Section 69433, subdivision (a), providing award
21 renewal application forms to students who request them and assisting those

1 students by answering questions they may have regarding that form and assisting
2 them in its completion.

3 F) Pursuant to Education Code Section 69433, subdivision (c), providing
4 standardized student financial aid applications, as prescribed by the Student Aid
5 Commission for all Cal Grant programs.

6 G) Pursuant to Education Code Section 69433.5, subdivision (h), producing reports,
7 accounting, documents, or other necessary statements to the Student Aid
8 Commission pursuant to its rules and regulations.

9 H) Pursuant to Education Code Section 69433.6, subdivision (a), designating a
10 student's educational level in his or her course of study when the student initially
11 receives payment for a grant.

12 I) Pursuant to Education Code Section 69433.7, complying with regulations adopted
13 by the Student Aid Commission as necessary to implement the Chapter.

14 J) Pursuant to Education Code Section 69434, subdivision (b)(1), providing
15 financial aid applications to students who request them and who are seeking Cal
16 Grant A awards and assisting those students by answering questions they may
17 have regarding that form and assisting them in its completion.

18 K) Pursuant to Education Code Section 69434.5, providing forms and procedures to
19 individuals selected for a Cal Grant A award who elect to have the award held in
20 trust and assisting those students by answering questions they may have
21 regarding those forms and procedures and assisting them in their completion.

Declaration of Toni Du Bois
Test Claim of Long Beach Community College District
Chapter 159, Statutes of 2001, Cal Grants

- 1 L) Pursuant to Education Code Section 69434.5, providing forms and procedures to
2 individuals who request them and who are requesting transfer of Cal Grant A
3 awards held in trust to a tuition or fee charging qualifying institution and assisting
4 those students by answering questions they may have regarding that form and
5 assisting them in its completion.
- 6 M) Pursuant to Education Code Section 69435 and Section 69435.3, subdivision
7 (a)(1), providing financial aid applications to students who request them and who
8 are seeking Cal Grant B awards, and assisting those students by answering
9 questions they may have regarding that form and assisting them in its completion
- 10 N) Pursuant to Education Code Section 69436, providing official financial aid
11 applications to students who request them and who are applying for a Cal Grant
12 A or a Cal Grant B award upon transfer from a community college to a qualifying
13 baccalaureate program and assisting those students by answering questions they
14 may have regarding that form and assisting them in its completion.
- 15 O) Pursuant to Education Code Section 69436.5, reporting to the Student Aid
16 Commission annually as to the number of students determined to have financial
17 need pursuant to section 69436.
- 18 P) Pursuant to Education Code Section 69437 and 69437.3, providing standardized
19 financial aid applications to students who request them and who are seeking
20 competitive Cal Grant A and Cal Grant B awards and assisting those students by
21 answering questions they may have regarding that form and assisting them in its

1 completion.

2 Q) Pursuant to Education Code Section 69437.6, subdivision (f), providing forms and
3 procedures to individuals who request them and who are requesting transfer of
4 competitive Cal Grant A awards held in trust to a tuition or fee charging qualifying
5 institution and assisting those students by answering questions they may have
6 regarding that form and assisting them in its completion.

7 R) Pursuant to Education Code Section 69439, providing standardized
8 financial aid applications to students who request them and who are seeking
9 competitive Cal Grant C awards and assisting those students by answering
10 questions they may have regarding that form and any supplemental forms
11 provided by the commission and assisting them in their completion.

12 S) Pursuant to Education Code Section 69439, subdivision (d), providing
13 standardized financial aid applications to students who request them and who are
14 seeking renewals of competitive Cal Grant C awards and assisting those
15 students by answering questions they may have regarding that form and assisting
16 them in its completion.

17 T) Pursuant to Education Code Section 69440, providing standardized
18 financial aid applications to students who request them and who are seeking Cal
19 Grant T awards and assisting those students by answering questions they may
20 have regarding that form and assisting them in its completion.

21 U) Pursuant to Education Code Section 69514.5, subdivision (a), training community

1 college counselors and advisors who work with students planning to attend or
2 who are attending a community college and planning to transfer to a four-year
3 college.

- 4 V) Pursuant to Education Code Section 69514.5, subdivision (b), conducting student
5 and family workshops that provide general information about financial aid and
6 technical assistance in completing financial aid forms.

7 **TITLE 5, CALIFORNIA CODE OF REGULATIONS**

- 8 A) Pursuant to Title 5, California Code of Regulations, Section 30002, accepting
9 supplemental information and academic transcripts from applicants and
10 submitting them to the commission.

- 11 B) Pursuant to Title 5, California Code of Regulations, Section 30007, subdivision
12 (d), certifying, under penalty of perjury, that community college grade point
13 averages have been accurately reported when requested by students and
14 submitting them to the commission.

- 15 C) Pursuant to Title 5, California Code of Regulations, Section 30023, subdivision
16 (c), submitting facts to the commission which show circumstances beyond the
17 control of the applicant when requesting leave to file grade point averages after
18 the established deadline.

- 19 D) Pursuant to Title 5, California Code of Regulations, Section 30023, subdivision
20 (d), resubmitting a corrected or completed grade point average within 10 days
21 after notice from the commission that the district has submitted a timely but

Declaration of Toni Du Bois
Test Claim of Long Beach Community College District
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1 incomplete or incorrect grade point average.

2 E) Pursuant to Title 5, California Code of Regulations, Section 30026, providing a
3 grade point average computed pursuant to Section 30007(c) for at least 16
4 academic units when requested by a student seeking to reestablish his or her
5 grade point average.

6 F) Pursuant to Title 5, California Code of Regulations, Section 30027, receiving from
7 students supplemental information when seeking Cal Grant C awards, including
8 work histories, teacher recommendations and recommendations from other
9 persons, and submitting them to the commission along with their applications.

10 G) Pursuant to Title 5, California Code of Regulations, Section 30032, refunding
11 unused award funds previously received based upon published regulations of the
12 district, as certified to the commission.

13 It is estimated that the Long Beach Community College District incurred at least
14 \$1,000 in staffing and other costs in excess of any funding provided for the period from
15 July 1, 2001 through June 30, 2002 to implement these new duties mandated by the
16 state for which the district has not been reimbursed by any federal, state, or local
17 government agency, and for which it cannot otherwise obtain reimbursement.

18 The foregoing facts are known to me personally and, if so required, I could testify
19 to the statements made herein. I hereby declare under penalty of perjury that the

20 /

21 /

Declaration of Toni Du Bois
Test Claim of Long Beach Community College District
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1 foregoing is true and correct except where stated upon information and belief and where
2 so stated I declare that I believe them to be true.

3 EXECUTED this 2 day of June, 2003, at Long Beach, California

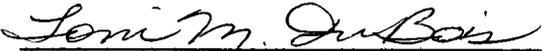
4
5 
6 Toni Du Bois
7 Dean of Financial Aid and Veteran's Affairs
8 Long Beach Community College District
9
10

Exhibit 2
Copies of Statutes Cited

MAINTENANCE OF CODES

CHAPTER 159

S.B. No. 662

AN ACT to amend Sections 27, 113, 130, 144, 350, 1647.11, 2570.6, 2570.8, 2570.19, 2995, 3059, 3364, 3403, 4059, 4312, 4980.80, 4980.90, 4996.6, 5111, 5536, 6403, 6716, 6730.2, 6756, 7092, 7583.11, 8027, 8773.4, 10167.2, and 21702 of the Business and Professions Code, to amend Sections 1748.10, 1748.11, 1810.21, 2954.4, 2954.5, and 3097 of, and to amend and renumber Section 1834.8 of, the Civil Code, to amend Sections 403.020, 645.1, 674, and 699.510 of the Code of Civil Procedure, to amend Sections 9323, 9331, and 9408 of the Commercial Code, to amend Sections 2200, 6810, 17540.3, 25102, 25103, and 25120 of the Corporations Code, to amend Sections 313, 406, 426, 427, 11700, 17071.46, 17210, 17317, 17610.5, 22660, 22950, 25933, 33126.1, 37252, 37252.2, 37619, 41329.1, 42239, 44114, 45023.1, 48664, 52054, 52270, 52485, 54749, 56045, 56845, 69432.7, 69434.5, 69437.6, 69439, 69613.1, 87164, and 92901 of, and to amend and renumber Sections 45005.25 and 45005.30 of, the Education Code, to amend Sections 1405, 8040, 9118, and 15375 of the Elections Code, to amend Section 17504 of the Family Code, to amend Sections 761.5, 4827, 16024, 16501, and 18586 of the Financial Code, to amend Sections 1506, 2921, and 8276.3 of the Fish and Game Code, to amend Sections 492, 6046, and 75131 of the Food and Agricultural Code, to amend Sections 3543.4, 3562.2, 3583.5, 6254, 6516.6, 6599.2, 7074, 18935, 20028, 20300, 20392, 21006, 21547.7, 30064.1, 31461.3, 31681.55, 31835.02, 38773.6, 55720, 65584, 65585.1, and 75059.1 of the Government Code, to amend Sections 444.21, 1358.11, 11836, 11877.2, 17922, 25358.6.1, 39619.6, 104170, 105112, 111656.5, 111656.13, 114145, 123111, and 124900 of, to amend and renumber Section 104320 of, and to amend and renumber the heading of Article 10.5 (commencing with Section 1399.801) of Chapter 2.2 of Division 2 of, the Health and Safety Code, to amend Sections 789.8, 1215.1, 1871, 1872.83, 10123.135, 10178.3, 10192.11, 10231.2, 10236, 10506.5, 11621.2, 11784, 11786, 11787, and 12698 of the Insurance Code, to amend Sections 90.5, 129, 230.1, 4455, and 4609 of the Labor Code, to amend Section 1048 of the Military and Veterans Code, to amend Sections 272, 417.2, 646.94, and 3058.65 of the Penal Code, to amend Sections 1813 and 16062 of the Probate Code, to amend Sections 10129 and 20209.7 of the Public Contract Code, to amend Sections 5090.51, 14581, 36710, and 42923 of the Public Resources Code, to amend Sections 383.5, 2881.2, 7943, 9608, 9610, and 12702.5 of, and to amend and renumber Section 399.15 of, the Public Utilities Code, to amend Sections 75.11, 75.21, 97.3, 214, 23622.8, 23646, 44006, and 45153 of the Revenue and Taxation Code, to amend Section 1110 of the Unemployment Insurance Code, to amend Section 4000.37 of the Vehicle Code, to amend Sections 1789.5, 4098.1, 5614, 8102, 10082, 14005.28, 14005.35, 14008.6, 14087.32, and 14105.26 of the Welfare and Institutions Code, and to amend Section 511 of the San Gabriel Basin Water Quality Authority Act (Chapter 776 of the Statutes of 1992), Section 1 of Chapter 352 of the Statutes of 2000, Section 1 of Chapter 661 of the Statutes of 2000, Section 2 of Chapter 693 of the Statutes of 2000, Sections 5 and 6 of the Naval Training Center San

Additions or changes indicated by underline; deletions by asterisks * * *

1427

of special education and related services to individuals with exceptional needs which results in the failure to comply substantially with corrective action orders issued by the department resulting from monitoring findings or complaint investigations.

(2) The district, special education local plan area, or county office failed to implement the decision of a due process hearing officer based on noncompliance with provisions of this part, the implementing regulations, provisions of the Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.), or the implementing regulations, which noncompliance results in the denial of, or impedes the delivery of, a free and appropriate public education for an individual with exceptional needs.

(b) When the superintendent determines that a district, special education local plan area, or county office made substantial progress toward compliance with state law, federal law, or regulations governing the provision of special education and related services to individuals with exceptional needs, the superintendent may apportion the state or federal funds withheld from the district, special education local plan area, or county office.

(c) Notwithstanding any other provision of law, state funds may not be allocated to offset any federal funding intended for individuals with exceptional needs, as defined in Section 56026, and withheld from a local educational agency due to the agency's noncompliance with state or federal law.

(d) For purposes of this section, in order to enter into contracts with one or more local education agencies to serve individuals with exceptional needs who are not being served as required under this part, the department is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.

SEC. 79. Section 69432.7 of the Education Code is amended to read:

69432.7. As used in this chapter, the following terms have the following meanings:

(a) An "academic year" is July 1 to June 30, inclusive. The starting date of a session shall determine the academic year in which it is included.

(b) "Access costs" means living expenses and expenses for transportation, supplies, and books.

(c) "Award year" means one academic year, or the equivalent, of attendance at a qualifying institution.

(d) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree.

(e) "Commission" means the Student Aid Commission.

(f) "Enrollment status" means part-time status or full-time status.

(1) Part time, for purposes of Cal Grant eligibility, is defined as 6 to 11 semester units, inclusive, or the equivalent.

(2) Full time, for purposes of Cal Grant eligibility, is defined as 12 or more semester units or the equivalent.

(g) "Expected family contribution," with respect to an applicant, shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(h) "High school grade point average" means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses, and computed pursuant to regulations of the commission. However, for high school graduates who apply after their senior year, "high school grade point average" includes senior year coursework.

(i) "Instructional program of not less than one academic year" means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at

least 24 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) "Instructional program of not less than two academic years" means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) "Maximum household income and asset levels" means the applicable household income and household asset levels for participants in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001-02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

CAL GRANT PROGRAM INCOME CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent and Independent students with dependents*		
Family Size		
Six or more	\$74,100	\$40,700
Five	\$68,700	\$37,700
Four	\$64,100	\$33,700
Three	\$59,000	\$30,300
Two	\$57,600	\$26,900
Independent		
Single, no dependents	\$23,500	\$23,500
Married	\$26,900	\$26,900

*Applies to independent students with dependents other than a spouse.

CAL GRANT PROGRAM ASSET CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent**	\$49,600	\$49,600
Independent	\$23,600	\$23,600

**Applies to independent students with dependents other than a spouse.

The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution.

(l) "Qualifying institution" means any of the following:

(1) Any California private or independent postsecondary educational institution that participates in the Pell Grant program and in at least two of the following federal campus-based student aid programs:

- (A) Federal Work-Study.
- (B) Perkins Loan Program.
- (C) Supplemental Educational Opportunity Grant Program.

(2) Any nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution's operating budget, as demonstrated in an

audited financial statement, is expended for the purposes of institutionally funded student financial aid in the form of grants, that demonstrates to the commission that it has the administrative capacity to administer the funds, that is accredited by the Western Association of Schools and Colleges, and that meets any other state-required criteria adopted by regulation * * * by the commission in consultation with the Department of Finance. A regionally accredited institution that was deemed qualified by the commission to participate in the Cal Grant Program for the 2000-01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(3) Any California public postsecondary educational institution.

(m) "Satisfactory academic progress" means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining "satisfactory academic progress" in a manner that is consistent with those federal standards.

SEC. 80. Section 69434.5 of the Education Code is amended to read:

69434.5. An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution.

SEC. 81. Section 69437.6 of the Education Code is amended to read:

69437.6. (a) An applicant competing for an award under this article shall meet all the requirements of Article 1 (commencing with Section 69430).

(b) To compete for a competitive Cal Grant A award, an applicant shall, at a minimum, meet all of the requirements of Article 2 (commencing with Section 69434), with the exception of paragraph (1) of subdivision (b) of Section 69434.

(c) To compete for a competitive Cal Grant B award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435). However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative units of credit for academic coursework at an accredited California Community College, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.

(d) To compete for a competitive California Community College Transfer Cal Grant Award, an applicant shall, at a minimum, meet the requirements of Article 4 (commencing with Section 69436), with the exception of paragraph (8) of subdivision (b) of Section 69436.

(e) All other competitors shall, at a minimum, comply with all of the requirements of subdivision (b) of Section 69432.9.

(f) An individual selected for a Cal Grant A award who enrolls in a California Community College may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission

shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution. Any award so held in reserve shall only be counted once toward the 22,500 awards authorized by this article.

SEC. 82. Section 69439 of the Education Code is amended to read:

69439. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant C award shall be utilized only for occupational or technical training in a course of not less than four months. There shall be the same number of Cal Grant C awards each year as were made in the 2000-01 fiscal year. The maximum award amount and the total amount of funding shall be determined each year in the annual Budget Act.

(b) "Occupational or technical training" means that phase of education coming after the completion of a secondary school program and leading toward recognized occupational goals approved by the commission.

(c) The commission may use criteria it deems appropriate in selecting students with occupational talents to receive grants for occupational or technical training.

(d) The Cal Grant C recipients shall be eligible for renewal of their grants until they have completed their occupational or technical training in conformance with terms prescribed by the commission. In no case shall the grants exceed two calendar years.

(e) Cal Grant C awards shall be for institutional fees, charges, and other costs, including tuition, plus training-related costs, such as special clothing, local transportation, required tools, equipment, supplies, and books. In determining the amount of grants and training-related costs, the commission shall take into account other state and federal programs available to the applicant.

(f) Cal Grant C awards shall be awarded in areas of occupational or technical training as determined by the commission after consultation with appropriate state and federal agencies.

SEC. 83. Section 69613.1 of the Education Code is amended to read:

69613.1. * * * The Superintendent of Public Instruction shall furnish the commission with all of the following:

(a) Commencing January 1, 1990, and every January 1 thereafter, a list of teaching fields that have the most critical shortage of teachers. The superintendent shall review this list annually and revise the list as he or she deems necessary. Commencing January 1, 2001, the list of shortage areas furnished pursuant to this subdivision shall include the state special schools as a category separate from special education.

(b) A list of schools that serve a large population of pupils from low-income families, as designated for purposes of the Perkins Loan Program, or according to standards the superintendent deems appropriate.

(c) Commencing January 31, 2001, and every January 1 thereafter, a list of schools with a high percentage of teachers holding emergency permits. The list shall be established according to criteria determined by the superintendent.

(d) Commencing January 31, 2001, and every January 1 thereafter, a list of schools serving rural areas. The list shall be established according to standards deemed appropriate by the superintendent.

(e) Commencing January 31, 2001, and every January 1 thereafter, a list of low-performing schools.

SEC. 84. Section 87164 of the Education Code is amended to read:

87164. (a) An employee or applicant for employment with a public school employer who files a written complaint with his or her supervisor, a community college administrator, or the public school employer alleging actual or attempted acts of reprisal, retaliation, threats, coercion, or similar improper acts prohibited by Section 87163 for having disclosed improper governmental activities or for refusing to obey an illegal order may also file a copy of the written complaint with the local law enforcement agency, together with a sworn statement that the contents of the written complaint are true, or are believed by the affiant to be true,

-Additions or changes indicated by underline; deletions by asterisks * * *

(e) The meetings of the Bipartisan California Commission on Internet Political Practices shall be open and public. The commission members shall receive one hundred dollars (\$100) per diem for each day of attendance at a meeting of the commission, not to exceed 10 meetings.

(f) The Bipartisan California Commission on Internet Political Practices shall report its findings and recommendations to the Legislature not later than December 1, 2001. The commission shall cease to exist on January 1, 2002.

SEC. 207. Section 3 of Chapter 975 of the Statutes of 2000 is amended to read:

Sec. 3. The sum of two hundred twenty thousand dollars (\$220,000) is hereby appropriated from the General Fund to the Controller for allocation to the Bipartisan California Commission on Internet Political Practices to defray the costs of the commission in conducting the study and preparing the report required by this act.

SEC. 208. Any section of any act enacted by the Legislature during the 2001 calendar year that takes effect on or before January 1, 2002, and that amends, amends and renumbers, adds, repeals and adds, or repeals a section that is amended, amended and renumbered, added, repealed and added, or repealed by this act, shall prevail over this act, whether that act is enacted prior to, or subsequent to, the enactment of this act. The repeal, or repeal and addition, of any article, chapter, part, title, or division of any code by this act shall not become operative if any section of any other act that is enacted by the Legislature during the 2001 calendar year and takes effect on or before January 1, 2002, amends, amends and renumbers, adds, repeals and adds, or repeals any section contained in that article, chapter, part, title, or division.

COLLEGES AND UNIVERSITIES—FINANCIAL AID—ELIGIBILITY

CHAPTER 8

S.B. No. 176

AN ACT to amend Sections 69434, 69435.3, 69436, and 69437.6 of the Education Code, relating to student financial aid, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Filed with Secretary of State May 4, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 176, Ortiz. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program.

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes, among other programs, the Cal Grant A Entitlement Program, the Cal Grant B Entitlement Program, the California Community College Transfer Cal Grant Entitlement Program, and the Competitive Cal Grant A and B Awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs.

This bill would add to the eligibility requirements for the Cal Grant A Entitlement Program and the Cal Grant B Entitlement Program a provision specifying that a qualifying student must graduate from high school or its equivalent during or after the 2000-01 school year. The bill would amend the eligibility requirements for the California Community College Transfer Cal Grant Entitlement Program to change a reference to a federal statute and to specify that a student who graduates from a California high school during the 2000-01 academic year is eligible for that program. The bill would add to the eligibility requirements for the Competitive Cal Grant A awards a provision authorizing an applicant to meet the existing grade point average requirement through the submission of a college grade point average, as prescribed. The bill would amend the eligibility requirements for the Competitive Cal Grant B awards by creating an exemption from requirements regarding submission of a financial aid application and graduation from high school no sooner than the 2000-01 academic year.

The bill would appropriate \$3,342,000 from the General Fund to the Student Aid Commission for expenditure in the 2000-01 fiscal year, for costs related to implementing information technology changes needed to process additional workload associated with the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

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

SECTION 1. Section 69434 of the Education Code is amended to read:

69434. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant A award shall be used only for tuition or student fees, or both, in a for-credit instructional program with a length of not less than two academic years. Each student who meets the Cal Grant A qualifications as set forth in this article shall be guaranteed an award. The amount of any individual award is dependent on the cost of tuition or fees, or both, at the qualifying institution at which the student is enrolled. For each applicant, the award amount shall not exceed the amount of the calculated financial need.

(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

Additions or changes indicated by underline; deletions by asterisks * * *

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(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least part time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.

(c) A student who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for tuition or fees, or both, pursuant to Section 66021.2.

SEC. 2. Section 69435.3 of the Education Code is amended to read:

69435.3. (a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 2.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant B recipients as set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than one academic year that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.

(b) A student * * * who meets the Cal Grant B * * * Entitlement Program criteria specified in this article shall receive a Cal Grant B award for access costs and tuition and fees pursuant to Section 66021.2.

SEC. 3. Section 69436 of the Education Code is amended to read:

69436. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of his or her high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program, meets all of the criteria set forth in subdivision (b), shall be entitled to a Cal Grant A or B award.

(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree is entitled to receive, and the commission

shall award, a Cal Grant A or B award depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:

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

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

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

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

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

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

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

(8) The student * * * does not meet the federal definition of * * * an independent student, as set forth in subsection (d) of Section 1087vv of Title 20 of the United States Code, with the exception of:

(A) A student who is an orphan or a ward of the court and who will not be 24 years old or older by December 31 of the award year.

(B) A student who is a veteran of the United States Armed Forces and who will not be 24 years old or older by December 31 of the award year.

(C) A student who is a married person and who will not be 24 years old or older by December 31 of the award year.

(D) A student who will not be 24 years old or older by December 31 of the award year and who has dependents other than a spouse.

(E) A student who will not be 24 years old or older by December 31 of the award year and for whom a financial aid administrator makes documented determination of independence by reason of other unusual circumstances.

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

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

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

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

SEC. 4. Section 69437.6 of the Education Code is amended to read:

69437.6. (a) An applicant competing for an award under this article shall meet all the requirements of Article 1 (commencing with Section 69430).

(b) To compete for a competitive Cal Grant A award, an applicant shall, at a minimum, meet all of the requirements of Article 2 (commencing with Section 69434), with the exception of paragraphs (1) and (8) of subdivision (b) of Section 69434. However, in lieu of meeting the grade point average requirement set forth in paragraph (3) of subdivision (b) of Section 69434, an applicant may submit a community college or college grade point average of at least 2.4 on a 4.0 scale.

(c) To compete for a competitive Cal Grant B award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435), with the exception of paragraphs (1) and (8) of subdivision (a) of Section 69435.3. However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative

units of credit for academic coursework at an accredited California community college, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.

(d) To compete for a competitive California Community College Transfer Cal Grant Award, an applicant shall, at a minimum, meet the requirements of Article 4 (commencing with Section 69436), with the exception of paragraphs (8) and (9) of subdivision (b) of Section 69436.

(e) All other competitors shall, at a minimum, comply with all of the requirements of subdivision (b) of Section 69432.9.

(f) An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution. Any award so held in reserve shall only be counted once toward the 22,500 awards authorized by this article.

SEC. 5. The sum of three million three hundred forty-two thousand dollars (\$3,342,000) is hereby appropriated from the General Fund to the Student Aid Commission for expenditure in the 2000-01 fiscal year, for costs related to implementing information technology changes needed to process additional workload associated with the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program established pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of the Education Code. These changes are those identified in the feasibility study report approved by the Department of Finance and the Department of Information Technology during the 2000-01 fiscal year.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the important changes made by this act to take effect in time for the beginning of the 2001-02 academic year, it is necessary that this act take effect immediately.

EDUCATION—STUDENT FINANCIAL AID—ACADEMIC MERIT

CHAPTER 403

S.B. No. 1644

AN ACT to amend Section 66021.2 of, to add Sections 69514.5, 69547.5, and 69547.9 to, to add Chapter 1.7 (commencing with Section 69430) to Part 42 of, and to repeal Article 3 (commencing with Section 69530) of Chapter 2 of Part 42 of, the Education Code, relating to student financial aid, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Filed with Secretary of State September 12, 2000.]

Additions or changes indicated by underline; deletions by asterisks * * *

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(g) The implementation of the policy * * * set forth in this section shall maintain a balance between the state's policy goals of ensuring student access to and selection of an institution of higher education for students with financial need and academic merit.

(h) It is the policy of the State of California that the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program supplement the federal Pell Grant program.

(i) An award under the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program shall not guarantee admission to an institution of higher education or admission to a specific campus or program.

SEC. 4. Chapter 1.7 (commencing with Section 69430) is added to Part 42 of the Education Code, to read:

Chapter 1.7. Ortiz-Pacheco-Poochigian-Vasconcellos\$/SMC Program

Article 1. General Provisions

69430. This chapter shall be known, and may be cited, as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program.

69431. There is hereby established the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, which may also be referred to as the Cal Grant Program.

69432. (a) Cal Grant Program awards shall be known as "Cal Grant A Entitlement Awards," "Cal Grant B Entitlement Awards," "California Community College Transfer Entitlement Awards," "Competitive Cal Grant A and B Awards," "Cal Grant C Awards," and "Cal Grant T Awards."

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

69432.5. The Budget required by the California Constitution to be submitted by the Governor at each Regular Session of the Legislature shall take into consideration the amount of federal grant funds for student financial aid.

69432.7. As used in this chapter, the following terms have the following meanings:

(a) An "academic year" is July 1 to June 30, inclusive. The starting date of a session shall determine the academic year in which it is included.

(b) "Access costs" means living expenses and expenses for transportation, supplies, and books.

(c) "Award year" means one academic year, or the equivalent, of attendance at a qualifying institution.

(d) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree.

(e) "Commission" means the Student Aid Commission.

(f) "Enrollment status" means part-time status or full-time status.

(1) Part-time, for purposes of Cal Grant eligibility, is defined as 6 to 11 semester units, inclusive, or the equivalent.

(2) Full-time, for purposes of Cal Grant eligibility, is defined as 12 or more semester units or the equivalent.

(g) "Expected family contribution," with respect to an applicant shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(h) "High school grade point average" means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the

Additions or changes indicated by underline; deletions by asterisks * * *

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sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses, and computed pursuant to regulations of the commission. However, for high school graduates who apply after their senior year, "high school grade point average" includes senior year coursework.

(i) "Instructional program of not less than one academic year" means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at least 24 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) "Instructional program of not less than two academic years" means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) "Maximum household income and asset levels" means the applicable household income and household asset levels for participants in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001-02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

CAL GRANT PROGRAM INCOME CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent and Independent students with dependents *		
Family Size		
Six or more	\$74,100	\$40,700
Five	\$68,700	\$37,700
Four	\$64,100	\$33,700
Three	\$59,000	\$30,300
Two	\$57,600	\$26,900
Independent		
Single, no dependents	\$23,500	\$23,500
Married	\$26,900	\$26,900

*Applies to independent students with dependents other than a spouse.

CAL GRANT PROGRAM ASSET CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent **	\$49,600	\$49,600
Independent	\$23,600	\$23,600

**Applies to independent students with dependents other than a spouse.

The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution.

(l) "Qualifying institution" means any of the following:

(1) Any California private or independent postsecondary educational institution that participates in the Pell Grant program and in at least two of the following federal campus-based student aid programs:

- (A) Federal Work-Study.
- (B) Perkins Loan Program.
- (C) Supplemental Educational Opportunity Grant Program.

(2) Any nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution's operating budget, as demonstrated in an audited financial statement, is expended for the purposes of institutionally funded student

financial aid in the form of grants, that demonstrates to the commission that it has the administrative capacity to administer the funds, that is accredited by the Western Association of Schools and Colleges, and that meets any other state-required criteria adopted by regulation, by the commission in consultation with the Department of Finance. A regionally accredited institution that was deemed qualified by the commission to participate in the Cal Grant Program for the 2000-01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(3) Any California public postsecondary educational institution.

(m) "Satisfactory academic progress" means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining "satisfactory academic progress" in a manner that is consistent with those federal standards.

69432.8. The commission may determine that an advance payment is essential to ensure that funds provided pursuant to this chapter to assist students to enroll in postsecondary education are available at the time students enroll. Upon making that determination, the commission may, on the basis of institutional academic calendars, advance, per term to authorized postsecondary educational institutions, the funds for eligible students who have indicated they will attend those institutions, less an amount based on historical claim enrollment attrition information. Each institution shall disburse the funds in accordance with the provisions set forth in the institutional agreement between the commission and the institution.

69432.9. (a) A Cal Grant applicant shall submit a complete official financial aid application pursuant to Section 69433 and applicable regulations adopted by the commission.

(b) Financial need shall be determined using the federal financial need methodology pursuant to subdivision (a) of Section 69506 and applicable regulations adopted by the commission, and as established by Title IV of the Federal Higher Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as amended). The calculation of financial need shall be consistent with the commission's methodology for financial need for the 2000-01 academic year.

(1) "Expected family contribution," with respect to an applicant shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(2) Financial need is defined as the difference between the student's cost of attendance as determined by the commission and the expected family contribution. The calculation of financial need shall be consistent with the commission's methodology for determining financial need for the 2000-01 academic year as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.).

(3)(A) The minimum financial need required for receipt of an initial Cal Grant A or Cal Grant C award shall be not less than the maximum annual award value for the applicable institution, plus an additional one thousand five hundred dollars (\$1,500) of financial need.

(B) The minimum financial need required for receipt of an initial Cal Grant B award shall be no less than seven hundred dollars (\$700).

(c) The commission shall require that a grade point average be submitted for all Cal Grant A and B applicants, except for those permitted to provide test scores in lieu of a grade point average. The commission shall require that each report of a grade point average include a certification, executed under penalty of perjury, by a school official, that the grade point average reported is accurately reported. The certification shall include a statement that it is subject to review by the commission or its designee. The commission shall adopt regulations that establish a grace period for receipt of the grade point average and any appropriate corrections, and that set forth the circumstances under which a student may submit a specified test score designated by the commission, by regulation, in lieu of submitting a qualifying grade point average. It is the intent of the Legislature that high schools and institutions of higher education certify the grade point averages of their students in time to meet the application deadlines imposed by this chapter.

69433. (a)(1) A Cal Grant Program award shall be based upon the financial need of the applicant, and shall not exceed the calculated financial need for any individual applicant. The

minimum level of financial need of each applicant shall be determined by the commission pursuant to Section 69432.9. The commission may provide renewal awards.

(2) A student attending a nonpublic institution shall receive a renewal award for tuition or fees, or both, in an amount not to exceed the maximum allowable award amount that was in effect in the year in which the student first received a new award.

(b) A Cal Grant award authorized pursuant to this chapter shall be defined as a full-time equivalent grant. An award to a part-time student shall be a fraction of a full-time grant, as determined by the commission.

(c)(1) The commission shall prescribe the use of standardized student financial aid applications for California. These applications shall be simple in nature, and collect common data elements required by the federal government and those elements needed to meet the objectives of state-funded and institutional financial aid programs.

(2) The applications prescribed in paragraph (1) shall be utilized for the Cal Grant Program, all other programs funded by the state or a public institution of postsecondary education (except for the Financial Assistance Program of the Board of Governors of the California Community Colleges authorized by Chapter 1118 of the Statutes of 1987, for which a simplified application designed for that sole purpose may be used), and all federal programs administered by a public postsecondary education institution.

(3) Supplemental application information may be utilized if the information is essential to accomplishing the objectives of individual programs. All supplemental application information used for the purposes of commission-administered programs shall be subject to approval by the commission, and applications shall be identical for programs with similar objectives, as determined by the commission.

(4) Public postsecondary institutions are encouraged to use, but may decide whether to use, the standard applications for funds provided by private donors.

(5) The Legislature finds and declares that it is in the best interest of students that all postsecondary education institutions in California participating in federal and state-funded financial aid programs accept the standard applications prescribed by the commission.

(d) Nothing in this chapter shall prevent an individual public postsecondary institution from processing, with its own staff and fiscal resources, the standard financial aid applications specified in subdivision (c) for student aid programs for which it has legal responsibility.

(e) The commission may enter into contracts with a public agency or a private entity to improve the processing and distribution of grants, fellowships, and loans through the use of electronic networks and unified data bases.

69433.5. (a) Only a resident of California, as determined by the commission pursuant to Part 41 (commencing with Section 68000), is eligible for an initial Cal Grant award. The recipient shall remain eligible for award renewal only if he or she is a California resident, in attendance, and making satisfactory academic progress at a qualifying institution, as determined by the commission.

(b) A part-time student shall not be discriminated against in the selection of Cal Grant Program award recipients, and an award to a part-time student shall be approximately proportional to the time the student spends in the instructional program, as determined by the commission. A first-time Cal Grant Program award recipient who is a part-time student shall be eligible for a full-time renewal award if he or she becomes a full-time student.

(c) Cal Grant Program awards shall be awarded without regard to race, religion, creed, sex, or age.

(d) No applicant shall receive more than one type of Cal Grant Program award concurrently. Except as provided in Section 69440, no applicant shall:

(1) Receive one or a combination of Cal Grant Program awards in excess of the amount equivalent to the award level for a total of four years of full-time attendance in an undergraduate program, except as provided in Section 69433.6.

(2) Have obtained a baccalaureate degree prior to receiving a Cal Grant Program award, except as provided in Section 69440.

(e) A Cal Grant Program award, except as provided in Section 69440, may only be used for educational expenses of a program of study leading directly to an undergraduate degree or certificate, or for expenses of undergraduate coursework in a program of study leading directly to a first professional degree, but for which no baccalaureate degree is awarded.

(f) Commencing in 1999, the commission shall, for students who accelerate college attendance, increase the amount of award proportional to the period of additional attendance resulting from attendance in classes that fulfill requirements or electives for graduation during summer terms, sessions, or quarters. In the aggregate, the total amount a student may receive in a four-year period may not be increased as a result of accelerating his or her progress to a degree by attending summer terms, sessions, or quarters.

(g) The commission shall notify Cal Grant award recipients of the availability of funding for the summer term, session, or quarter through prominent notice in financial aid award letters, materials, guides, electronic information, and other means that may include, but not necessarily be limited to, surveys, newspaper articles, or attachments to communications from the commission and any other published documents.

(h) The commission may require, by the adoption of rules and regulations, the production of reports, accounting, documents, or other necessary statements from the award recipient and the college or university of attendance pertaining to the use or application of the award.

(i) A Cal Grant Program award may be utilized only at a qualifying institution.

69433.6. (a) Cal Grant A awards and Cal Grant B awards may be renewed for a total of the equivalent of four years of full-time attendance in an undergraduate program provided that financial need continues to exist. Commencing with the 2001-02 academic year, the total number of years of eligibility for grants pursuant to this section shall be based on the student's educational level in his or her course of study as designated by the institution of attendance when the recipient initially receives payment for a grant.

(b) For a student enrolled in an institutionally prescribed five-year undergraduate program, Cal Grant A awards and Cal Grant B awards may be renewed for a total of five years of full-time attendance, provided that financial need continues to exist.

(c)(1) A Cal Grant Program award recipient who has completed a baccalaureate degree, and who has been admitted to and is enrolled in a program of professional teacher preparation at an institution approved by the California Commission on Teacher Credentialing is eligible for, but not entitled to, renewal of a Cal Grant Program award for an additional year of full-time attendance, if financial need continues to exist.

(2) Payment for an additional year is limited to only those courses required for an initial teaching authorization. An award made under this subdivision may not be used for other courses.

(d) A student's Cal Grant renewal eligibility shall not have lapsed more than 15 months prior to the payment of an award for purposes of this section.

69433.7. The commission shall adopt regulations necessary to implement this chapter. Notwithstanding any other provision of law, the commission may adopt emergency regulations pursuant to Section 11346.1 of the Government Code in order to ensure that the program enacted by this chapter may function in its first academic year.

69433.8. An award under this chapter does not guarantee admission to an institution of higher education or admission to a specific campus or program.

69433.9. To be eligible to receive a Cal Grant award under this chapter, a student shall be all of the following:

(a) A citizen of the United States, or an eligible noncitizen, as defined for purposes of financial aid programs under Title IV of the federal Higher Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as from time to time amended).

(b) In compliance with all applicable Selective Service registration requirements.

(c) Not incarcerated.

(d) Not in default on any student loan within the meaning of Section 69507.5.

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(e) For purposes of Article 2 (commencing with Section 69434), Article 3 (commencing with Section 69435), and Article 4 (commencing with Section 69436), at the time of high school graduation or its equivalent, be a resident of California.

Article 2. Cal Grant A Entitlement Program

69434. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant A award shall be used only for tuition or student fees, or both, in a for-credit instructional program with a length of not less than two academic years. Each student who meets the Cal Grant A qualifications as set forth in this article shall be guaranteed an award. The amount of any individual award is dependent on the cost of tuition or fees, or both, at the qualifying institution at which the student is enrolled. For each applicant, the award amount shall not exceed the calculated financial need.

(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(c) A student who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for tuition or fees, or both, pursuant to Section 66021.2.

69434.5. An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual will be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution.

Article 3. Cal Grant B Entitlement Program

69435. (a)(1) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant B award shall be used only for tuition, student fees, and access costs in a for-credit instructional program that is not less than one academic year in length.

(2) The commission shall award access grants in a student's first academic year. In subsequent years, the award shall include an additional amount to pay tuition or fees, or both,

to attend college at a public or private four-year college or university or other qualifying institution for all Cal Grant B awards pursuant to paragraph (2) of subdivision (b) of Section 66021.2. In no event shall the total award in any year exceed the applicant's calculated financial need.

(3) Not more than 2 percent of new Cal Grant B recipients enrolling for the first time in an institution of postsecondary education shall be eligible for payments for tuition or fees, or both, in their first academic year of attendance. The commission shall adopt regulations specifying the criteria used to determine which applicants, if any, receive both tuition and fees plus the access grant in the first year of enrollment. Priority shall be given to students with the lowest expected family contribution pursuant to Section 69432.7 and the highest level of academic merit.

(b) An award for access costs under this article shall be in an annual amount not to exceed one thousand five hundred fifty-one dollars (\$1,551). This amount may be adjusted in the annual Budget Act.

69435.3. (a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 2.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant B recipients as set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than one academic year that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(b) A student whose household income does not exceed the maximum household income and asset levels, as set forth in Section 69432.7, for a Cal Grant B award shall receive access costs and tuition and fees pursuant to Section 66021.2.

Article 4. California Community College Transfer Cal Grant Entitlement Program

69436. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of his or her high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program, meets all of the criteria set forth in subdivision (b), shall be entitled to a Cal Grant A or B award.

(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree is entitled to receive, and the commission shall award, a Cal Grant A or B depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:

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

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

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

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

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

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

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

(8) The student meets the federal definition of a dependent student, as set forth in Section 152 of Title 26 of the United States Code, with the exception of:

(A) A student who is an orphan or a ward of the court and who will not be 24 years old or older by December 31 of the award year.

(B) A student who is a veteran of the United States Armed Forces and who will not be 24 years old or older by December 31 of the award year.

(C) A student who is a married person and who will not be 24 years old or older by December 31 of the award year.

(D) A student who will not be 24 years old or older by December 31 of the award year and who has dependents other than a spouse.

(E) A student who will not be 24 years old or older by December 31 of the award year and for whom a financial aid administrator makes documented determination of independence by reason of other unusual circumstances.

(9) A student who graduated from a California high school or its equivalent during or after the 2001-02 academic year.

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

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

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

69436.5. A participating qualifying institution shall report to the commission annually as to the number of students determined to be independent pursuant to subparagraph (E) of paragraph (8) of subdivision (b) of Section 69436 and the reasons therefor.

Article 5. Competitive Cal Grant A and B Awards

69437. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, there shall be established the Competitive Cal Grant A and B award program for students who did not receive a Cal Grant A or 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) A total of 22,500 Cal Grant A and 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 community college. The commission shall establish a second application deadline of September 2 for community college students to apply for these awards effective with the fall term or semester of the 2001-02 academic year.

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

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

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

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

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

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

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

69437.3. (a) The commission shall utilize the standardized student financial aid application described in Section 69432.9.

(b) An official financial aid application shall be submitted pursuant to Section 69432.9, submitted or postmarked no later than March 2, or September 2 for students enrolled at a community college.

(c) A student shall be enrolled at least part-time.

69437.5. Cal Grant A and B awards shall be used only for the purposes set forth in Article 2 (commencing with Section 69434) and Article 3 (commencing with Section 69435), respectively.

69437.6. (a) An applicant competing for an award under this article shall meet all the requirements of Article 1 (commencing with Section 69430).

(b) To compete for a competitive Cal Grant A Award, an applicant shall, at a minimum, meet all of the requirements of Article 2 (commencing with Section 69434), with the exception of paragraph (1) of subdivision (b) of Section 69434.

(c) To compete for a competitive Cal Grant B Award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435). However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative units of credit for academic coursework at an accredited California community college, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.

(d) To compete for a competitive California Community College Transfer Cal Grant Award, an applicant shall, at a minimum, meet the requirements of Article 4 (commencing with Section 69436), with the exception of paragraph (8) of subdivision (b) of Section 69436.

(e) All other competitors shall, at a minimum, comply with all of the requirements of subdivision (b) of Section 69432.9.

(f) An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual will be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution. Any award so held in reserve shall only be counted once toward the 22,500 awards authorized by this article.

69437.7. After two award cycles, the commission shall review the competitive grant program and its priorities to gain a better understanding of early participation patterns and to determine the initial level of program effectiveness. The commission shall report these findings to the Legislature and the Governor by December 31, 2003, and each year thereafter.

Article 6. Cal Grant C Program

69439. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant C award shall be utilized only for occupational or technical training in a course of not less than four months. There shall be the same number of Cal Grant C awards each year as were made in the 2000-01 fiscal year. The maximum award amount and the total amount of funding shall be determined each year in the annual Budget Act.

(b) "Occupational or technical training" means that phase of education coming after the completion of a secondary school program and leading toward recognized occupational goals approved by the commission.

(c) The commission may use criteria it deems appropriate in selecting students with occupational talents to receive grants for occupational or technical training.

(d) The Cal Grant C recipients shall be eligible for renewal of their grants until they have completed their occupational or technical training in conformance with terms prescribed by the commission. In no case shall the grants exceed two calendar years.

(e) Cal Grant C awards shall be for institutional fees, charges, and other costs including tuition, plus training-related costs, such as special clothing, local transportation, required tools, equipment, supplies, and books. In determining the amount of grants and training-related costs, the commission shall take into account other state and federal programs available to the applicant.

(f) Cal Grant C awards shall be awarded in areas of occupational or technical training as determined by the commission after consultation with appropriate state and federal agencies.

Article 7. Cal Grant T Program

69440. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, Cal Grant T awards shall be used only for tuition and student fees for a maximum of one academic year of full-time attendance in a program of professional preparation that has been approved by the California Commission on Teacher Credentialing. There shall be a minimum of 3,000 new Cal Grant T awards each year. The maximum award amount, and the total amount of funding, shall be determined each year in the annual Budget Act. As a condition of receiving a Cal Grant T award, a recipient shall teach for one year in a low-performing school, as defined in subdivision (c) of Section 44765, for each two thousand dollar (\$2,000) incentive provided through the Cal Grant T Program, for a period not to exceed four years.

Any recipient who fails to meet his or her teaching obligation shall repay the Cal Grant T award.

(b) The commission shall allocate Cal Grant T awards using academic criteria or criteria related to past performance similar to that used in awarding Cal Grant A awards for the 2000-01 academic year.

SEC. 5. Section 69514.5 is added to the Education Code, to read:

69514.5. (a) The Community College Student Financial Aid Outreach Program is hereby established. The commission shall, in consultation with the office of the Chancellor of the California Community Colleges, develop and administer this program for the purpose of providing financial aid training to high school and community college counselors and advisors who work with students planning to attend or attending a community college. This training shall also address the specific needs of all of the following:

(1) Community college students intending to transfer to a four-year institution of higher education.

(2) Foster youth.

(3) Students with disabilities.

(b) The program shall provide specialized information on financial aid opportunities available to community college students, with a particular focus on students who plan to transfer to a four-year college or university. The commission shall work in collaboration with the Chancellor of the California Community Colleges and other segments of higher education to develop and distribute this specialized information to assist community college students who are planning to transfer to a four-year college or university. Each year, the program shall offer financial aid workshops for high school and community college counselors, targeted for students planning to attend a community college or to transfer from a community college to a four-year institution of higher education. The program shall assist community college counselors in conducting student and family workshops that provide general information about financial aid and technical assistance in completing financial aid forms.

(c) The program shall concentrate its efforts on high schools and community colleges that are located in geographic areas that have a high percentage of low-income families.

SEC. 6. Section 69547.5 is added to the Education Code, to read:

69547.5. Commencing on January 1, 2001, this article shall be applicable only to students who have received an award pursuant to this article on or before December 31, 2000.

SEC. 7. Section 69547.9 is added to the Education Code, to read:

69547.9. This article shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.

SEC. 8. The Student Aid Commission shall annually report to the Legislature and the Governor on the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program from its inception on both of the following:

(a) The number of Cal Grant applicants and new and continuing recipients each year. This data shall include at a minimum the following information about recipients: educational level, grade point average, segment of attendance, number of community college transfer students.

(b) A longitudinal component that measures student persistence and graduation rates over time.

SEC. 9. Notwithstanding any other provision of law, the Director of Finance may authorize the augmentation, from the Special Fund for Economic Uncertainties established pursuant to Section 16418 of the Government Code, of the annual amount appropriated for the purpose of making Cal Grant awards pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of the Education Code, as necessary to fully fund the number of awards required to be granted by that chapter. No augmentation may be authorized under this section sooner than 30 days after the Director of Finance provides written notice of the proposed augmentation to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house that consider appropriations, nor sooner than whatever lesser time those persons, or their designees, may in each instance determine.

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SEC. 10. (a) The sum of one million five hundred thousand dollars (\$1,500,000) is hereby appropriated from the General Fund to the Student Aid Commission for expenditure, without regard to fiscal year, for support costs related to the administration of this act.

(b) The expenditure of the funds appropriated in subdivision (a) is subject to approval of a work plan by the Department of Finance, once 30-day written notification has been given to the Chairperson of the Joint Legislative Budget Committee, or his or her designee.

(c) Notwithstanding any other provision of law, any deficiency request submitted by the Student Aid Commission and recommended by the Director of Finance, pursuant to Section 27.00 of the Budget Act of 2000, for the purposes of implementing this act, shall be considered to be for unanticipated expenses incurred in the operation of existing programs, and shall be subject to any other pertinent provisions of Section 27.00 of the Budget Act of 2000.

(d) In order to ensure proper planning for administration of this act, it is the intent of the Legislature that the Department of Finance consider a Spring Finance Letter from the Student Aid Commission for inclusion in the Budget Bill for the 2001-02 fiscal year for the purposes of requesting funds to comply with this act in the 2001-02 fiscal year.

(e) No funds provided pursuant to this section shall be expended for information technology projects prior to approval by the Department of Finance and the Department of Information Technology of a Feasibility Study Report or a Special Project Report, as applicable.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to take effect in time to apply to high school seniors who graduate in the 2000-01 academic year, it is necessary that it take effect immediately.

Exhibit 3
Education Code Sections Cited

EDUCATION CODE

§ 69432.8. Advance payments

The commission may determine that an advance payment is essential to ensure that funds provided pursuant to this chapter to assist students to enroll in postsecondary education are available at the time students enroll. Upon making that determination, the commission may, on the basis of institutional academic calendars, advance, per term to authorized postsecondary educational institutions, the funds for eligible students who have indicated they will attend those institutions, less an amount based on historical claim enrollment attrition information. Each institution shall disburse the funds in accordance with the provisions set forth in the institutional agreement between the commission and the institution.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69432.9. Applications; financial need; grade point average

(a) A Cal Grant applicant shall submit a complete official financial aid application pursuant to Section 69433 and applicable regulations adopted by the commission.

(b) Financial need shall be determined using the federal financial need methodology pursuant to subdivision (a) of Section 69506 and applicable regulations adopted by the commission, and as established by Title IV of the Federal Higher Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as amended). The calculation of financial need shall be consistent with the commission's methodology for financial need for the 2000-01 academic year.

(1) "Expected family contribution," with respect to an applicant shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(2) Financial need is defined as the difference between the student's cost of attendance as determined by the commission and the expected family contribution. The calculation of financial need shall be consistent with the commission's methodology for determining financial need for the 2000-01 academic year as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Secs. 1070 et seq.).

(3)(A) The minimum financial need required for receipt of an initial Cal Grant A or Cal Grant C award shall be not less than the maximum annual award value for the applicable institution, plus an additional one thousand five hundred dollars (\$1,500) of financial need.

(B) The minimum financial need required for receipt of an initial Cal Grant B award shall be no less than seven hundred dollars (\$700).

(c) The commission shall require that a grade point average be submitted for all Cal Grant A and B applicants, except for those permitted to provide test scores in lieu of a grade point average. The commission shall require that each report of a grade point average include a certification, executed under penalty of perjury, by a school official, that the grade point average reported is accurately reported. The certification shall include a statement that it is subject to review by the commission or its designee. The commission shall adopt regulations that establish a grace period for receipt of the grade point average and any appropriate corrections, and that set forth the circumstances under which a student may submit a specified test score designated by the commission, by regulation, in lieu of submitting a qualifying grade point average. It is the intent of the Legislature that high schools and institutions of higher education certify the grade point averages of their students in time to meet the application deadlines imposed by this chapter.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69433. Awards to be based on financial need; standardized financial aid applications

(a)(1) A Cal Grant Program award shall be based upon the financial need of the applicant, and shall not exceed the calculated financial need for any individual applicant. The minimum level of financial need of each applicant shall be determined by the commission pursuant to Section 69432.9. The commission may provide renewal awards.

(2) A student attending a nonpublic institution shall receive a renewal award for tuition or fees, or both, in an amount not to exceed the maximum allowable award amount that was in effect in the year in which the student first received a new award.

(b) A Cal Grant award authorized pursuant to this chapter shall be defined as a full-time equivalent grant. An award to a part-time student shall be a fraction of a full-time grant, as determined by the commission.

(c)(1) The commission shall prescribe the use of standardized student financial aid applications for California. These applications shall be simple in nature, and collect common data elements required by the federal government and those elements needed to meet the objectives of state-funded and institutional financial aid programs.

(2) The applications prescribed in paragraph (1) shall be utilized for the Cal Grant Program, all other programs funded by the state or a public institution of postsecondary education (except for the Financial Assistance Program of the Board of Governors of the California Community Colleges authorized by Chapter 1118 of the Statutes of 1987, for which a simplified application designed for that sole purpose may be used), and all federal programs administered by a public postsecondary education institution.

(3) Supplemental application information may be utilized if the information is essential to accomplishing the objectives of individual programs. All supplemental application information used for the purposes of commission-administered programs shall be subject to approval by the commission, and applications shall be identical for programs with similar objectives, as determined by the commission.

(4) Public postsecondary institutions are encouraged to use, but may decide whether to use, the standard applications for funds provided by private donors.

(5) The Legislature finds and declares that it is in the best interest of students that all postsecondary education institutions in California participating in federal and state-funded financial aid programs accept the standard applications prescribed by the commission.

(d) Nothing in this chapter shall prevent an individual public postsecondary institution from processing, with its own staff and fiscal resources, the standard financial aid applications specified in subdivision (c) for student aid programs for which it has legal responsibility.

(e) The commission may enter into contracts with a public agency or a private entity to improve the processing and distribution of grants, fellowships, and loans through the use of electronic networks and unified data bases.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69433.5. Residence and other requirements

(a) Only a resident of California, as determined by the commission pursuant to Part 41 (commencing with Section 68000), is eligible for an initial Cal Grant award. The recipient shall remain eligible for award renewal only if he or she is a California resident, in attendance, and making satisfactory academic progress at a qualifying institution, as determined by the commission.

(b) A part-time student shall not be discriminated against in the selection of Cal Grant Program award recipients, and an award to a part-time student shall be approximately proportional to the time the student spends in the instructional program, as determined by the commission. A first-time Cal Grant Program award recipient who is a part-time student shall be eligible for a full-time renewal award if he or she becomes a full-time student.

(c) Cal Grant Program awards shall be awarded without regard to race, religion, creed, sex, or age.

(d) No applicant shall receive more than one type of Cal Grant Program award concurrently. Except as provided in Section 69440, no applicant shall:

(1) Receive one or a combination of Cal Grant Program awards in excess of the amount equivalent to the award level for a total of four years of full-time attendance in an undergraduate program, except as provided in Section 69433.6.

(2) Have obtained a baccalaureate degree prior to receiving a Cal Grant Program award, except as provided in Section 69440.

(e) A Cal Grant Program award, except as provided in Section 69440, may only be used for educational expenses of a program of study leading directly to an undergraduate degree or certificate, or for expenses of undergraduate coursework in a program of study leading directly to a first professional degree, but for which no baccalaureate degree is awarded.

(f) Commencing in 1999, the commission shall, for students who accelerate college attendance, increase the amount of award proportional to the period of additional attendance resulting from attendance in classes that fulfill requirements or electives for graduation during summer terms, sessions, or quarters. In the aggregate, the total amount a student may receive in a four-year period may not be increased as a result of accelerating his or her progress to a degree by attending summer terms, sessions, or quarters.

(g) The commission shall notify Cal Grant award recipients of the availability of funding for the summer term, session, or quarter through prominent notice in financial aid award letters, materials, guides, electronic information, and other means that may include, but not necessarily be limited to, surveys, newspaper articles, or attachments to communications from the commission and any other published documents.

(h) The commission may require, by the adoption of rules and regulations, the production of reports, accounting, documents, or other necessary statements from the award recipient and the college or university of attendance pertaining to the use or application of the award.

(i) A Cal Grant Program award may be utilized only at a qualifying institution.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69433.6. Renewal of awards

(a) Cal Grant A awards and Cal Grant B awards may be renewed for a total of the equivalent of four years of full-time attendance in an undergraduate program provided that financial need continues to exist. Commencing with the 2001-02 academic year, the total number of years of eligibility for grants pursuant to this section shall be based on the student's educational level in his or her course of study as designated by the institution of attendance when the recipient initially receives payment for a grant.

(b) For a student enrolled in an institutionally prescribed five-year undergraduate program, Cal Grant A awards and Cal Grant B awards may be renewed for a total of five years of full-time attendance, provided that financial need continues to exist.

(c)(1) A Cal Grant Program award recipient who has completed a baccalaureate degree, and who has been admitted to and is enrolled in a program of professional teacher preparation at an institution approved by the California Commission on Teacher Credentialing is eligible for, but not entitled to, renewal of a Cal Grant Program award for an additional year of full-time attendance, if financial need continues to exist.

(2) Payment for an additional year is limited to only those courses required for an initial teaching authorization. An award made under this subdivision may not be used for other courses.

(d) A student's Cal Grant renewal eligibility shall not have lapsed more than 15 months prior to the payment of an award for purposes of this section.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

EDUCATION CODE

§ 69433.7. Regulations

The commission shall adopt regulations necessary to implement this chapter. Notwithstanding any other provision of law, the commission may adopt emergency regulations pursuant to Section 11346.1 of the Government Code in order to ensure that the program enacted by this chapter may function in its first academic year.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

EDUCATION CODE

§ 69434. Use of award; criteria for award

(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant A award shall be used only for tuition or student fees, or both, in a for-credit instructional program with a length of not less than two academic years. Each student who meets the Cal Grant A qualifications as set forth in this article shall be guaranteed an award. The amount of any individual award is dependent on the cost of tuition or fees, or both, at the qualifying institution at which the student is enrolled. For each applicant, the award amount shall not exceed the amount of the calculated financial need.

(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least part time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.

(c) A student who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for tuition or fees, or both, pursuant to Section 66021.2.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 8 (S.B.176), § 1, eff. May 4, 2001.)

§ 69434.5. Persons enrolling in a community college

An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 159 (S.B.662), § 80.)

EDUCATION CODE

§ 69435. Use of award; awarding of grants in first academic year

(a)(1) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant B award shall be used only for tuition, student fees, and access costs in a for-credit instructional program that is not less than one academic year in length.

(2) The commission shall award access grants in a student's first academic year. In subsequent years, the award shall include an additional amount to pay tuition or fees, or both, to attend college at a public or private four-year college or university or other qualifying institution for all Cal Grant B awards pursuant to paragraph (2) of subdivision (b) of Section 66021.2. In no event shall the total award in any year exceed the applicant's calculated financial need.

(3) Not more than 2 percent of new Cal Grant B recipients enrolling for the first time in an institution of postsecondary education shall be eligible for payments for tuition or fees, or both, in their first academic year of attendance. The commission shall adopt regulations specifying the criteria used to determine which applicants, if any, receive both tuition and fees plus the access grant in the first year of enrollment. Priority shall be given to students with the lowest expected family contribution pursuant to Section 69432.7 and the highest level of academic merit.

(b) An award for access costs under this article shall be in an annual amount not to exceed one thousand five hundred fifty-one dollars (\$1,551). This amount may be adjusted in the annual Budget Act. (Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69435.3. Criteria for receiving Cal Grant B award

(a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than March 2 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than March 2 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

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

(3) The student attains a high school grade point average of at least 2.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant B recipients as set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than one academic year that is offered by a qualifying institution.

(6) The student is enrolled at least part-time.

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

(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.

(b) A student * * * who meets the Cal Grant B * * * Entitlement Program criteria specified in this article shall receive a Cal Grant B award for access costs and tuition and fees pursuant to Section 66021.2. (Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 8 (S.B.176), § 2, eff. May 4, 2001.)

§ 69436. Students transferring from community college to qualifying baccalaureate program; eligibility and criteria for awarding Cal Grant A or B award

(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of his or her high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program, meets all of the criteria set forth in subdivision (b), shall be entitled to a Cal Grant A or B award.

(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree is entitled to receive, and the commission shall award, a Cal Grant A or B award depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:

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

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

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

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

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

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

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

(8) The student * * * does not meet the federal definition of * * * an independent student, as set forth in subsection (d) of Section 1087vv of Title 20 of the United States Code, with the exception of:

(A) A student who is an orphan or a ward of the court and who will not be 24 years old or older by December 31 of the award year.

(B) A student who is a veteran of the United States Armed Forces and who will not be 24 years old or older by December 31 of the award year.

(C) A student who is a married person and who will not be 24 years old or older by December 31 of the award year.

(D) A student who will not be 24 years old or older by December 31 of the award year and who has dependents other than a spouse.

(E) A student who will not be 24 years old or older by December 31 of the award year and for whom a financial aid administrator makes documented determination of independence by reason of other unusual circumstances.

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

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

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

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

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 8 (S.B.176), § 3, eff. May 4, 2001.)

EDUCATION CODE

§ 69436.5. Report on number of independent students

A participating qualifying institution shall report to the commission annually as to the number of students determined to be independent pursuant to subparagraph (E) of paragraph (8) of subdivision (b) of Section 69436 and the reasons therefor.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69437. Establishment of program; number of awards

(a) Commencing with the 2001-02 academic year, and each academic year thereafter, there shall be established the Competitive Cal Grant A and B award program for students who did not receive a Cal Grant A or 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) A total of 22,500 Cal Grant A and 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 community college. The commission shall establish a second application deadline of September 2 for community college students to apply for these awards effective with the fall term or semester of the 2001-02 academic year.

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

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

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

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

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

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

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

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

EDUCATION CODE

§ 69437.3. Application; enrollment requirement

(a) The commission shall utilize the standardized student financial aid application described in Section 69432.9.

(b) An official financial aid application shall be submitted pursuant to Section 69432.9, submitted or postmarked no later than March 2, or September 2 for students enrolled at a community college.

(c) A student shall be enrolled at least part-time.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69437.6. Requirements

(a) An applicant competing for an award under this article shall meet all the requirements of Article 1 (commencing with Section 69430).

(b) To compete for a competitive Cal Grant A award, an applicant shall, at a minimum, meet all of the requirements of Article 2 (commencing with Section 69434), with the exception of paragraphs (1) and (8) of subdivision (b) of Section 69434. However, in lieu of meeting the grade point average requirement set forth in paragraph (3) of subdivision (b) of Section 69434, an applicant may submit a community college or college grade point average of at least 2.4 on a 4.0 scale.

(c) To compete for a competitive Cal Grant B award, an applicant shall, at a minimum, meet all of the requirements of Article 3 (commencing with Section 69435), with the exception of paragraphs (1) and (8) of subdivision (a) of Section 69435.3. However, in lieu of meeting the grade point average requirements of paragraph (3) of subdivision (a) of Section 69435.3, a student may reestablish his or her grade point average by completing at least 16 cumulative units of credit for academic coursework at an accredited California community college, as defined by the commission, by regulation, with at least a 2.0 community college grade point average.

(d) To compete for a competitive California Community College Transfer Cal Grant Award, an applicant shall, at a minimum, meet the requirements of Article 4 (commencing with Section 69436), with the exception of paragraphs (8) and (9) of subdivision (b) of Section 69436.

(e) All other competitors shall, at a minimum, comply with all of the requirements of subdivision (b) of Section 69432.9.

(f) An individual selected for a Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for him or her for a period not to exceed two academic years, except that the commission may extend the period in which his or her award may be held in reserve for up to three academic years if, in the commission's judgment, the rate of academic progress has been as rapid as could be expected for the personal and financial conditions that the student has encountered. The commission shall, in this case, hold the award in reserve for the additional year. Upon receipt of a request to transfer the award to a tuition or fee charging qualifying institution, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, he or she meets all of the requirements of this article. Upon receipt of the request, the commission shall reassess the financial need of the award recipient. The commission may prescribe the forms and procedures to be utilized for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon his or her grade level at the time the award is transferred to the tuition or fee charging qualifying institution. Any award so held in reserve shall only be counted once toward the 22,500 awards authorized by this article.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 159 (S.B.662), § 81; Stats.2001, c. 8 (S.B.176), § 4, eff. May 4, 2001.)

EDUCATION CODE

§ 69439. Use of award; number of awards; criteria; renewal; amount

(a) Commencing with the 2001-02 academic year, and each academic year thereafter, a Cal Grant C award shall be utilized only for occupational or technical training in a course of not less than four months. There shall be the same number of Cal Grant C awards each year as were made in the 2000-01 fiscal year. The maximum award amount and the total amount of funding shall be determined each year in the annual Budget Act.

(b) "Occupational or technical training" means that phase of education coming after the completion of a secondary school program and leading toward recognized occupational goals approved by the commission.

(c) The commission may use criteria it deems appropriate in selecting students with occupational talents to receive grants for occupational or technical training.

(d) The Cal Grant C recipients shall be eligible for renewal of their grants until they have completed their occupational or technical training in conformance with terms prescribed by the commission. In no case shall the grants exceed two calendar years.

(e) Cal Grant C awards shall be for institutional fees, charges, and other costs, including tuition, plus training-related costs, such as special clothing, local transportation, required tools, equipment, supplies, and books. In determining the amount of grants and training-related costs, the commission shall take into account other state and federal programs available to the applicant.

(f) Cal Grant C awards shall be awarded in areas of occupational or technical training as determined by the commission after consultation with appropriate state and federal agencies.

(Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000. Amended by Stats.2001, c. 159 (S.B.662), § 82.)

EDUCATION CODE

§ 69440. Use of award; number of awards; amount of award; criteria

(a) Commencing with the 2001-02 academic year, and each academic year thereafter, Cal Grant T awards shall be used only for tuition and student fees for a maximum of one academic year of full-time attendance in a program of professional preparation that has been approved by the California Commission on Teacher Credentialing. There shall be a minimum of 3,000 new Cal Grant T awards each year. The maximum award amount, and the total amount of funding, shall be determined each year in the annual Budget Act. As a condition of receiving a Cal Grant T award, a recipient shall teach for one year in a low-performing school, as defined in subdivision (c) of Section 44765, for each two thousand dollar (\$2,000) incentive provided through the Cal Grant T Program, for a period not to exceed four years. Any recipient who fails to meet his or her teaching obligation shall repay the Cal Grant T award.

(b) The commission shall allocate Cal Grant T awards using academic criteria or criteria related to past performance similar to that used in awarding Cal Grant A awards for the 2000-01 academic year. (Added by Stats.2000, c. 403 (S.B.1644), § 4, eff. Sept. 12, 2000.)

§ 69514.5. Community College Student Financial Aid Outreach Program; establishment

(a) The Community College Student Financial Aid Outreach Program is hereby established. The commission shall, in consultation with the office of the Chancellor of the California Community Colleges, develop and administer this program for the purpose of providing financial aid training to high school and community college counselors and advisors who work with students planning to attend or attending a community college. This training shall also address the specific needs of all of the following:

- (1) Community college students intending to transfer to a four-year institution of higher education.
- (2) Foster youth.
- (3) Students with disabilities.

(b) The program shall provide specialized information on financial aid opportunities available to community college students, with a particular focus on students who plan to transfer to a four-year college or university. The commission shall work in collaboration with the Chancellor of the California Community Colleges and other segments of higher education to develop and distribute this specialized information to assist community college students who are planning to transfer to a four-year college or university. Each year, the program shall offer financial aid workshops for high school and community college counselors, targeted for students planning to attend a community college or to transfer from a community college to a four-year institution of higher education. The program shall assist community college counselors in conducting student and family workshops that provide general information about financial aid and technical assistance in completing financial aid forms.

(c) The program shall concentrate its efforts on high schools and community colleges that are located in geographic areas that have a high percentage of low-income families.
(Added by Stats.2000, c. 403 (S.B.1644), § 5, eff. Sept. 12, 2000.)

Exhibit 4
Title 5, California Code of Regulations Cited

Division 4. California Student Aid Commission

Chapter 1. California Student Aid Commission

Article 1. Definition of Certain Terms

§ 30000. Academic Year.

For Cal Grant A and B an academic year means two semesters or three quarters or their equivalent within a 12-month period. An academic year may include a summer quarter in those colleges which maintain a summer quarter comparable to either the fall, winter or spring quarters. For Cal Grant C an academic year means a period of time usually eight or nine months during which a full-time student would normally be expected to complete the equivalent of two semesters, two trimesters, or three quarters of instruction.

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

HISTORY

1. Repealer of Article 1 (Sections 30000-30006) and new Article 1 (Sections 30000-30006) filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24). For prior history, see Register 69, No. 51 and Register 59, No. 7.
2. Amendment filed 6-18-82; effective thirtieth day thereafter (Register 82, No. 25).

§ 30001. Grant Recipient.

A grant recipient is a person who has successfully met all of the requirements set forth in Education Code Sections 69530 to 69547, who has been selected for a grant by the California Student Aid Commission, and who has accepted the grant in terms of attending a school or college to which he has been admitted.

A Cal Grant A recipient, as defined in Education Code Section 69532, may utilize a grant for tuition and fees as in Education Code Section 69536; a Cal Grant B Recipient, as defined in Education Code Section 69532, may utilize a grant for tuition, fees and subsistence as in Education Code Section 69538; a Cal Grant C recipient, as defined in Education Code Section 69532, may utilize a grant for occupational or technical training for tuition and training-related costs as in Education Code Section 69539.

§ 30002. Eligible Applicant.

An eligible applicant is any person who has successfully met the requirements set forth in Sections 69530 to 69547, Education Code, and has submitted in proper form and prior to established deadlines such applications, supplements and transcripts of academic record, and financial and other information as the California Student Aid Commission may direct.

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69534-69536, 69538, 69539 and 69541, Education Code.

HISTORY

1. Amendment filed 6-18-82; effective thirtieth day thereafter (Register 82, No. 25).

§ 30003. Full-Time Student.

A full-time, regularly enrolled undergraduate student is one who is regularly enrolled for a semester or quarter program of not less than 12 (twelve) credit hours or units or their equivalent.

§ 30004. Part-Time Student.

A part-time student is one who is taking 6-11 units or their equivalent. A student enrolled for 9-11 units or their equivalent is considered 3/4-time and a student enrolled for 6-8 units or their equivalent is considered 1/2-time.

§ 30005. Eligibility Limitations.

Undergraduate course means the first eight semesters or twelve quarters or their equivalent of full-time college attendance beyond the high school graduation and prior to a baccalaureate degree. Eligibility may be extended for two semesters or three quarters or their equivalent for students enrolled in a five-year undergraduate program.

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69536 and 69538, Education Code.

HISTORY

1. Amendment filed 6-18-82; effective thirtieth day thereafter (Register 82, No. 25).

§ 30006. Standards for Ability to Pay for Postsecondary Education.

The Commission shall adopt standards of measuring parental and student ability to pay for postsecondary education and such standards shall be applicable to Cal Grant A, B, and C.

§ 30007. College Grade Point Average; Community College Grade Point Average.

(a) General.

(1) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree. A college grade point average or a community college grade point average must be computed for a minimum of 24 semester units or its equivalent regardless of the grade received.

(2) "All college work completed" includes all coursework for which grades are known to the official reporting the grade point average and accepted for credit at the school reporting the grade point average regardless of the grade received.

(3) It is the responsibility of the student applicant to have his or her college or community college report a grade point average.

(b) College Grade Point Average.

(1) For purposes of computing a college grade point average by an institution that grants a baccalaureate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for a baccalaureate degree from the reporting institution.

(2) For purposes of computing a college grade point average by a postsecondary institution that grants an associate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for an associate degree at the reporting institution.

(3) For purposes of computing a college grade point average by a postsecondary institution that does not grant a baccalaureate or an associate degree:

(A) "nontransferable units" are those units which are not used in satisfying requirements for earning a baccalaureate degree from a California public institution of higher education that grants such a degree.

(B) "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are any courses for which the earned grade is not used in the computation of a grade point average in determining admission eligibility, whether or not units earned for the course are transferable to such an institution.

(c) Community College Grade Point Average.

For purposes of computing a community college grade point average for a Cal Grant Award pursuant to the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" mean all courses except "Associate Degree Credit Courses" as defined by Title 5

Chapter 6, Article 1, Section 55002(a) of the California Code of Regulations.

(d) Certification.

Every college grade point average and community college grade point average reported to the Commission shall include a certification under penalty of perjury to the best of his or her knowledge from the school official filing the report that the grade point average is accurately reported. The certification shall include a statement that it is subject to review by the Commission or its designee.

NOTE: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(d), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including redesignation and amendment of former subsection (a) as subsections (a)-(a)(3) transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30008. High School Grade Point Average.

(a) "High school grade point average" means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses. However, for high school graduates who apply after their senior year, "high school grade point average" includes senior year coursework, excluding physical education, reserve officer training corps (ROTC), and remedial courses. Grade point averages shall only include the most recent grade for any course repeated by a student.

(b) "High School" means a secondary school accredited by Western Association of Schools and Colleges (WASC), or another regional accrediting association if the secondary school is not in the WASC region, or which has a University of California approved course list. Applicants who do not have a grade point average from a high school shall provide a test score from the General Educational Development test (GED), the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

(c) Every high school grade point average reported to the Commission shall include a certification under penalty of perjury from the school official filing the report that the grade point average is accurately reported to the best of his or her knowledge. The certification shall include a statement that it is subject to review by the Commission or its designee. It is the responsibility of the applicant to have his or her high school grade point average reported.

NOTE: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(h), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including the addition of a subsection designator for each paragraph, transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30009. Qualifying Institution.

(a) A "Qualifying Institution" means an institution as defined by Education Code section 69432.7(l).

(b) An institution qualifying pursuant to section 69432.7(l)(1) must be participating in the Federal Pell Grant program and in at least two of the three federal campus-based programs specifically listed in subdivisions

(A), (B) and (C) of that section. "Participating in federal campus-based programs" means the school has been allocated funds and is spending those funds at each California site which Cal Grant recipients attend.

(c)(1) An institution qualifying pursuant to section 69432.7(l)(2) means a postsecondary nonprofit institution headquartered and operating in California which:

(A) certifies to the Commission that 10 percent of the institution's operating budget is expended for institutionally funded student financial aid in the form of grants; and

(B) demonstrates to the Commission that it has the administrative capacity to administer the funds; and

(C) is accredited by the Western Association of Schools and Colleges; and

(D) meets such other standards adopted by regulation by the Commission in consultation with the Department of Finance.

(2) A regionally accredited institution that was deemed qualified by the Commission to participate in the Cal Grant Program for the 2000-01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(d) A qualifying institution or a specific site of an otherwise qualifying institution shall be deemed disqualified if it no longer possesses all of the requirements for a qualifying institution.

(e) An institution that becomes disqualified pursuant to Part 600 of Title 34 Code of Federal Regulations shall not be a "qualified institution" pursuant to this section.

(f) An institution disqualified pursuant to this section may become a "qualifying institution" by complying with Education Code section 69432.7(l) and this section.

NOTE: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(l), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including amendment of subsection (d), transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

Article 2. Applicant Qualifications

§ 30020. Academic Record.

The Commission may establish minimum standards of academic achievement and potential and may adopt criteria for selecting recipients of grants from among applicants to qualify for a Cal Grant and may require applicants to submit transcripts of high school and college academic records or other evidence of potential.

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

HISTORY

1. Repealer of Article 2 (Sections 30020-30022) and new Article 2 (Sections 30020-30022) filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24). For prior history, see Register 61, No. 22 and Register 70, No. 20.

§ 30021. Choice of School or College.

A Cal Grant shall be granted in terms of the applicant's selection of school or college at the time he is selected for a grant.

§ 30022. Change in School or College Choice.

Whenever a grant recipient changes his choice of school, college or program, the Commission must redetermine his financial need eligibility. Subject to such redetermination, a grant recipient may change his choice of college (a) prior to the time of actual enrollment, (b) at the conclusion of a quarter or semester, provided that any loss of tuition and fee payments shall be borne by the student.

§ 30023. In Lieu Test Scores; Grace Period.

(a) All Cal Grant A and B applicants shall submit a grade point average pursuant to section 30007, 30008 or 30026.

(1) For a Competitive Cal Grant award pursuant to Article 5 (beginning with Education Code section 69437) of the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, a student who does not have a grade point average pursuant to section 30007 or 30008 or whose grade point average is more than 5 years old may submit a test score from the General Educational Development test (GED), the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

(2) It is the responsibility of the applicant to have a grade point average or test score reported.

(b) A standardized test score for each approved test shall be converted to an equivalent grade point average by the Commission using the national distribution of test scores as compared to the distribution of grade point averages on a 0.00 to 4.00 scale. The grade point equivalencies shall be calculated based upon research from the testing agency for each approved test.

(c) The Commission may, on a case-by-case basis, accept the submission of grade point average(s) from institutions after the established deadline if, in the opinion of the Executive Director, circumstances beyond the control of the applicant delayed or prevented the timely submission of the grade point average(s) by the reporting institution(s) by the established deadline. In such cases, any request to the Executive Director to accept grade point average(s) after the established deadline shall be received by the Commission no later than twenty (20) days after the established deadline and the computed grade point average(s) shall be included with the request.

(d) Applicants or officials who submit a timely but incomplete or incorrect grade point average shall have a grace period of ten (10) days after the mailing of notice by the Commission to file a corrected or completed grade point average. A corrected or completed submission postmarked within the 10 day period shall be deemed to comply with this requirement.

NOTE: Authority cited: Sections 69432.9(c) and 69433.7, Education Code. Reference: Section 69432.9(c), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including the addition of a subsection designator for each paragraph and amendment of newly designated subsection (c), transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30024. Cal Grant B Entitlement Criteria.

A Cal Grant B Entitlement award for first year tuition and fees plus the access grant as defined and limited by Education Code section 69435(a)(3) shall be given to applicants based upon consideration of the following factors:

(a) Applicants with the lowest expected family contribution determined pursuant to Education Code Section 69432.7; and applicants with the highest level of academic merit as indicated by their high school grade point average and/or submitted test scores;

(b) Additional factors to be considered may include any of the following:

- (1) Whether the applicant is an orphan or ward of the court or was a ward of the court at the age of eighteen;
- (2) The level of education attainment of the applicant's parents;
- (3) The number of family members in the applicant's household in relation to the household income; and
- (4) Whether the applicant comes from a single parent household or is a single parent.

NOTE: Authority cited: Sections 69435(a)(3) and 69433.7, Education Code. Reference: Section 69435(a)(3), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency, including amendment of first paragraph; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including amendment of subsection (b), transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30025. Cal Grant A and B Competitive Award Selection Criteria.

(a) A Cal Grant A or B Competitive Award shall give special consideration to applicants who are disadvantaged students taking into consideration those financial, educational, cultural, language, home, community, environmental, and other conditions that hamper access to, and ability to persist in, postsecondary education programs. The extent to which an applicant is considered disadvantaged shall be determined based on the following:

- (1) Whether the applicant is an orphan or ward of the court or was a ward of the court at the age of eighteen;
- (2) The level of education attainment of the applicant's parents;
- (3) The number of family members in the applicant's household in relation to the household income; and
- (4) Whether the applicant comes from a single parent household or is a single parent.

NOTE: Authority cited: Section 69433.7, Education Code. Reference: Section 69437, Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including the designation of the first paragraph as subsection (a), transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30026. Reestablishing Grade Point Average.

An applicant seeking to reestablish his or her grade point average pursuant to Education Code section 69437.6(c) may do so by providing a grade point average computed pursuant to Section 30007(c) for at least 16 academic semester units or its equivalent from an accredited California community college. It is the responsibility of the applicant to have his or her community college report a grade point average.

NOTE: Authority cited: Sections 69433.7 and 69437.6(c), Education Code. Reference: Section 69437.6(c), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

§ 30027. Occupational Talents Criteria.

An applicant seeking to establish "occupational talents" pursuant to Education Code section 69439 may do so by submitting any of the following supplemental information:

- (a) applicant's work history (including unpaid internships) in the field; and/or

(b) recommendations from teachers or persons working in the applicant's occupational or technical field.

NOTE: Authority cited: Section 69433.7, Education Code. Reference: Section 69439(c), Education Code.

HISTORY

1. New section filed 1-16-2001 as an emergency; operative 1-16-2001 (Register 2001, No. 3). A Certificate of Compliance must be transmitted to OAL by 5-16-2001 or emergency language will be repealed by operation of law on the following day.
2. Editorial correction of HISTORY 1 (Register 2001, No. 20).
3. New section refiled 5-15-2001 as an emergency; operative 5-16-2001 (Register 2001, No. 20). A Certificate of Compliance must be transmitted to OAL by 9-13-2001 or emergency language will be repealed by operation of law on the following day.
4. Certificate of Compliance as to 5-15-2001 order, including amendment of first paragraph, transmitted to OAL 7-25-2001 and filed 8-13-2001 (Register 2001, No. 33).

Article 3. Use of Cal Grants

§ 30030. Application of Cal Grants.

All Cal Grants are awarded for use during a specified academic year, and shall be put into effect in September of such academic year. Exceptions may be made for students in Cal Grant C or when a student has been granted a leave or in such other instances as the Commission may otherwise provide.

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

HISTORY

1. Repealer of Article 3 (Sections 30030-30033) and new Article 3 (Sections 30030-30033) filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24). For prior history, see Register 64, No. 14).

§ 30031. Tuition and Necessary Fees.

Only the tuition and fee charges which may be classified under the following two categories are acceptable for payment in the Cal Grant Program.

(a) The minimum customary tuition and/or fee charges at the per unit, per quarter, per semester, or per term rate charged all undergraduate students.

(b) Student body fees made mandatory through student action (Education Code Section 23801).

§ 30032. Refund of Grant Payments.

Refund of unused award funds previously paid to a school or college shall be based on the published regulations of the school or college concerned, as certified to the Commission by such school or college.

§ 30033. Withdrawal of a Cal Grant.

The Commission may withdraw a Cal Grant if the recipient:

- (a) Fails to enroll in school or college and attend classes.
- (b) Withdraws from school or college without making a request for a leave of absence.
- (c) Fails to maintain a full-time or part-time program in accordance with the regulations of the school or college he is attending and the California Student Aid Commission.
- (d) Loses his status as a resident in California.
- (e) Fails to continue to demonstrate financial need according to California Student Aid Commission criteria.
- (f) Is in violation of California Student Aid Commission regulations.

Article 4. State Guaranteed Loans

NOTE: Authority cited: Section 69544, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

HISTORY

1. New Article 4 (Sections 30040 through 30046) filed 10-17-66 as an emergency; effective upon filing (Register 66, No. 36).
2. Amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).
3. Repealer of Article 4 (Sections 30040-30046) filed 6-14-78; effective thirtieth day thereafter (Register 78, No. 24).

Article 5. State Student Incentive Grant Program

§ 30050. Statement of Non-Interference.

The Student Aid Commission finds that the State Student Incentive Grant Program as authorized by Title IV, Part A, Subpart 3, of the Higher Education Act of 1965 as amended (20 U.S.C., 1070c-107c-3), will not interfere with or jeopardize the continuation of the Cal Grant Program established under Sections 69530 through 69547 of the State Education Code.

NOTE: Authority cited for Article 5: Section 69544, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

HISTORY

1. New Article 5 (Sections 30050-30057) filed 8-2-74 as an emergency; effective upon filing (Register 74, No. 31).
2. Certificate of Compliance filed 11-22-74 (Register 74, No. 47).
3. Amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30051. Eligible Students.

Eligible students are undergraduate students with substantial financial need who are applicants for a Cal Grant A, Cal Grant B, or Cal Grant C who meet all requirements otherwise established by the California Student Aid Commission for receipt of such awards.

HISTORY

1. Amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30052. Substantial Financial Need.

Substantial financial need shall be financial need using standards of financial need assessment established by the Commission for receipt of state funds including standards of family contributions, self-help expectations, and unmet need.

§ 30053. Full-Time Student.

A full-time, regularly enrolled undergraduate student is one who is regularly enrolled for a semester or quarter program of not less than 12 (twelve) credit hours or their equivalent.

HISTORY

1. Amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30054. Part-Time Student.

A part-time student is one who is taking 6-11 units or their equivalent. A student enrolled for 9-11 units or their equivalent is considered 3/4-time and a student enrolled for 6-8 units or their equivalent is considered 1/2-time.

HISTORY

1. Repealer and new section filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30055. Size of Grant.

The size of the grant shall never be more than one-half of the maximum authorized by the Education Code in the State Scholarship (Cal Grant A), College Opportunity Grant (Cal Grant B), or Occupational Education and Training Grant (Cal Grant C) programs.

HISTORY

1. Renumbering of former Section 30054 and amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30056. Independent Students.

The criteria for determining independence from parental income shall be the same as established by the Commission for establishing independence from parental income for the Cal Grant A, Cal Grant B, and Cal Grant C programs.

HISTORY

1. Renumbering of former Section 30055 and amendment filed 6-10-77; effective thirtieth day thereafter (Register 77, No. 24).

§ 30057. Academic Year.

An academic year means a period of time usually eight or nine months during which a full-time student would normally be expected to complete the equivalent of two semesters, two trimesters, or three quarters of instruction.