

ITEM 3
TEST CLAIM
PROPOSED DECISION

Education Code Section 51225.7, as Added by Statutes 2021, Chapter 144
(AB 132, Section 10), Effective July 27, 2021

California Code of Regulations, Title 5, Section 30035, Appendix A and Appendix B,
as Added by Register 2022, Number 19, Effective July 1, 2022

Free Application for Federal Student Aid (FAFSA)

22-TC-05

Fresno Unified School District, Claimant

TABLE OF CONTENTS

Exhibit A

Test Claim 1-222

Exhibit B

Finance’s Comments on the Test Claim..... 1-12

Exhibit C

Claimant’s Rebuttal Comments 1-13

Exhibit D

Draft Proposed Decision 1-46

Exhibit E

Supporting Documentation

1. Assembly Committee on Education, Analysis of AB 469..... 1-8
2. Assembly Floor Analysis, Analysis of AB 469..... 1-3
3. California Student Aid Commission, California Dream Act FAQ’s for
Students and Parents 1-8
4. California Student Aid Commission, Free Application for Federal Student Aid
FAQ 1-2
5. California Student Aid Commission, Special Alert to High School
Counselors and County and District Superintendents, May 20, 2022..... 1-2
6. Carns, *More States Require High School Seniors to Fill Out Financial Aid
Form*, New York Times..... 1-2
7. Excerpt from Campaign for College Opportunity, Financial Aid in California 1-2

8. Excerpt from Congressional Research Service, The FAFSA Simplification Act	1-2
9. Senate Committee on Education, Bill Analysis of AB 469	1-7
10. U.S. Department of Education, Dear Colleague Letter GEN-23-11	1-8
11. U.S. Department of Education, Eligibility for Federal Student Aid	1-2

Exhibit A

STATE of CALIFORNIA
**COMMISSION ON STATE
MANDATES**



For CSM Use Only	
Filing Date:	RECEIVED June 23, 2023 <i>Commission on State Mandates</i>
TC #:	22-TC-05

TEST CLAIM FORM AND TEST CLAIM AMENDMENT FORM (Pursuant to Government Code section 17500 et seq. and Title 2, California Code of Regulations, section 1181.1 et seq.)

Section 1

Proposed Test Claim Title:

Free Application for Federal Student Aid (FAFSA)

Section 2

Local Government (Local Agency/School District) Name:

Fresno Unified School District

Name and Title of Claimant's Authorized Official pursuant to [CCR, tit.2, § 1183.1\(a\)\(1-5\)](#):

Bob Nelson, Superintendent

Street Address, City, State, and Zip:

2309 Tulare Street, Fresno, CA 93721

Telephone Number

5594573882

Email Address

Bob.Nelson@fresnounified.org

Section 3 – Claimant designates the following person to act as its sole representative in this test claim. All correspondence and communications regarding this claim shall be sent to this representative. Any change in representation must be authorized by the claimant in writing, and e-filed with the Commission on State Mandates. ([CCR, tit.2, § 1183.1\(b\)\(1-5\)](#).)

Name and Title of Claimant Representative:

Arthur M. Palkowitz

Organization: Law Offices of Arthur M. Palkowitz

Street Address, City, State, Zip:

12807 Calle de la Siena, San Diego, CA 92130

Telephone Number

8582591055

Email Address

law@artpalk.onmicrosoft.com

Section 4 – Identify all code sections (include statutes, chapters, and bill numbers; e.g., Penal Code section 2045, Statutes 2004, Chapter 54 [AB 290]), regulatory sections (include register number and effective date; e.g., California Code of Regulations, title 5, section 60100 (Register 1998, No. 44, effective 10/29/98), and other executive orders (include effective date) that impose the alleged mandate pursuant to [Government Code section 17553](#) and check for amendments to the section or regulations adopted to implement it:

Assembly Bill No. 132

Statutes 2021, Chapter 144, Section 10

Education Code Section 51225.7

Title 5 California Code of Regulations § 30035

Appendix A, Appendix B

Effective Date: July 27, 2021

☒ Test Claim is Timely Filed on [Insert Filing Date] [select either A or B]: 06 / 23 / 2023

☐ A: Which is not later than 12 months (365 days) following [insert effective date] / / , the effective date of the statute(s) or executive order(s) pled; or

☒ B: Which is within 12 months (365 days) of [insert the date costs were *first* incurred to implement the alleged mandate] 07 / 01 / 2022, which is the date of first incurring costs as a result of the statute(s) or executive order(s) pled. *This filing includes evidence which would be admissible over an objection in a civil proceeding to support the assertion of fact regarding the date that costs were first incurred.*

([Gov. Code § 17551\(c\)](#); [Cal. Code Regs., tit. 2, §§ 1183.1\(c\)](#) and [1187.5.](#))

Section 5 – Written Narrative:

☒ Includes a statement that actual or estimated costs exceed one thousand dollars (\$1,000). ([Gov. Code § 17564.](#))

☒ Includes all of the following elements for each statute or executive order alleged **pursuant to [Government Code section 17553\(b\)\(1\)](#)**:

☒ Identifies all sections of statutes or executive orders and the effective date and register number of regulations alleged to contain a mandate, including a detailed description of the *new* activities and costs that arise from the alleged mandate and the existing activities and costs that are *modified* by the alleged mandate;

☒ Identifies *actual* increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate;

☒ Identifies *actual or estimated* annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed;

☒ Contains a statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed;

Following FY: 2023 - 2024 Total Costs: \$60,000,000.00

☒ Identifies all dedicated funding sources for this program;

State: Claimant is unaware at this time of any other dedicated state funds available for this program.

Federal: Claimant is unaware at this time of any other dedicated state funds available for this program.

Local agency's general purpose funds: Yes. General Funds

Other nonlocal agency funds: Claimant is unaware at this time of any other dedicated state funds available for this program.

Fee authority to offset costs: None

☒ Identifies prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate: _____

Claimant is unaware at this time of any prior mandate determinations, that may be related to the alleged mandate.

☒ Identifies any legislatively determined mandates that are on, or that may be related to, the same statute or executive order: _____

Claimant is unaware at this time of any legislatively determined mandates, that are on, or may be related to, the same statute or executive order.

Section 6 – The Written Narrative Shall be Supported with Declarations Under Penalty of Perjury Pursuant to [Government Code Section 17553\(b\)\(2\)](#) and [California Code of Regulations, title 2, section 1187.5](#), as follows:

☒ Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate.

☒ Declarations identifying all local, state, or federal funds, and fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs.

☒ Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program (specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program).

☒ If applicable, declarations describing the period of reimbursement and payments received for full reimbursement of costs for a legislatively determined mandate pursuant to [Government Code section 17573](#), and the authority to file a test claim pursuant to paragraph (1) of subdivision (c) of [Government Code section 17574](#).

☒ The declarations are signed under penalty of perjury, based on the declarant's personal knowledge, information, or belief, by persons who are authorized and competent to do so.

Section 7 – The Written Narrative Shall be Supported with Copies of the Following Documentation Pursuant to [Government Code section 17553\(b\)\(3\)](#) and [California Code of Regulations, title 2, § 1187.5](#):

☒ The test claim statute that includes the bill number, and/or executive order identified by its effective date and register number (if a regulation), alleged to impose or impact a mandate.

Pages FAFSA 029 to FAFSA 210.

☒ Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. Pages none to none.

- ☒ Administrative decisions and court decisions cited in the narrative. (Published court decisions arising from a state mandate determination by the Board of Control or the Commission are exempt from this requirement.) Pages None to None.
- ☒ Evidence to support any written representation of fact. *Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. (Cal. Code Regs., tit. 2, § 1187.5.)*
Pages FAFSA 015 to FAFSA 028.

Section 8 – TEST CLAIM CERTIFICATION Pursuant to Government Code section 17553

- ☒ The test claim form is signed and dated at the end of the document, under penalty of perjury by the eligible claimant, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge, information, or belief.

Read, sign, and date this section. Test claims that are not signed by authorized claimant officials pursuant to California Code of Regulations, title 2, section 1183.1(a)(1-5) will be returned as incomplete. In addition, please note that this form also serves to designate a claimant representative for the matter (if desired) and for that reason may only be signed by an authorized local government official as defined in section 1183.1(a)(1-5) of the Commission's regulations, and not by the representative.

This test claim alleges the existence of a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514. I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this test claim is true and complete to the best of my own personal knowledge, information, or belief. All representations of fact are supported by documentary or testimonial evidence and are submitted in accordance with the Commission's regulations.
(Cal. Code Regs., tit.2, §§ 1183.1 and 1187.5.)

Bob Nelson

Superintendent

Name of Authorized Local Government Official
pursuant to Cal. Code Regs., tit.2, § 1183.1(a)(1-5)

Print or Type Title



Signature of Authorized Local Government Official
pursuant to Cal. Code Regs., tit.2, § 1183.1(a)(1-5)









Test Claim Form

Final Audit Report

2023-06-23

Created:	2023-06-20
By:	CSM Sign (csmsign@csm.ca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAA2FSFI8WCns1s_pdCkS0J-WbarfzjoHJ

"Test Claim Form" History

-  Document created by CSM Sign (csmsign@csm.ca.gov)
2023-06-20 - 3:13:13 PM GMT
-  Document emailed to Arthur Palkowitz (law@artpalk.onmicrosoft.com) for filling
2023-06-20 - 3:14:28 PM GMT
-  Email viewed by Arthur Palkowitz (law@artpalk.onmicrosoft.com)
2023-06-20 - 3:33:01 PM GMT
-  Form filled by Arthur Palkowitz (law@artpalk.onmicrosoft.com)
Form filling Date: 2023-06-23 - 7:45:17 PM GMT - Time Source: server
-  Document emailed to bob.nelson@fresnounified.org bob.nelson@fresnounified.org (bob.nelson@fresnounified.org) for signature
2023-06-23 - 7:45:19 PM GMT
-  Email viewed by bob.nelson@fresnounified.org bob.nelson@fresnounified.org (bob.nelson@fresnounified.org)
2023-06-23 - 9:48:48 PM GMT
-  Document e-signed by bob.nelson@fresnounified.org bob.nelson@fresnounified.org (bob.nelson@fresnounified.org)
Signature Date: 2023-06-23 - 9:49:14 PM GMT - Time Source: server
-  Agreement completed.
2023-06-23 - 9:49:14 PM GMT

BEFORE THE
COMMISSION ON STATE MANDATES
STATE OF CALIFORNIA

Test Claim of:

Fresno Unified School District,
Claimant

No. CSM _____

Free Application for Federal Student (FAFSA)

Assembly Bill No. 132

Statutes 2021, Chapter 144, Section 10

Education Code Section 51225.7

Title 5 California Code of Regulations § 30035

Appendix A, Appendix B

Effective Date: July 27, 2021

STATEMENT OF THE CLAIM

This test claim filed by claimant Fresno Unified School District (“Claimant”) alleges reimbursable costs mandated by the State for school districts, commencing with the 2022–23 school year, that a pupil submits to the United States Department of Education a Free Application for Federal Student Aid (“FAFSA”) pursuant to the requirements in Statutes 2022 Chapter 144, A.B. No. 132, Section 10; Education Code Section 51225.7 and Title 5 California Code of Regulations (“CCR”) § 30035, Appendix A and Appendix B.¹

Additionally, the State’s school districts shall confirm, commencing with the 2022–23 school year, if the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act. If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil’s parent or legal guardian from

¹ Title 5 Education; Division 4 California Student Aid Commission; Chapter 1 California Student Aid Commission, Article 3.1 (5 CCR Section 30035.)

completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). (5 CCR § 30035 Appendix A.)

By imposing additional requirements on public schools this bill would impose a state-mandated local program due to the related increased costs that will be incurred. Claimant alleges that the test claim statutes impose a reimbursable state mandated program for school districts under Article XIII B, section 6, and Government Code section 17514. (2 CCR § 1183.1)²

AUTHORITY FOR THE CLAIM

The Commission on State Mandates has the authority, pursuant to Government Code section 17551, subdivision (a), to hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the State for costs mandated by the State, as required by section 6 of Article XIII B of the California Constitution. (*Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551 and 17552.) The determination of whether a statute or executive order imposes a reimbursable state-mandated program is a question of law. (*County of San Diego v. State of California*, (1997) 15 Cal.4th 68,109.)

Claimant is a school district as defined in Government Code Section 17519. This test claim is filed pursuant to Title 2, California Code of Regulations section 1183.1.

A. California Constitution requires the State to reimburse schools.

Article XIII B, section 6 of the California Constitution states:

Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the state shall provide a subvention of funds to reimburse such local government for the costs of such programs or increased level of service.

² Free Application for Federal Student Aid (FAFSA) Requirement. Requires local education agencies, starting in the 2022-23 school year, to confirm that students complete and submit FAFSA and Dream Act applications. This bill also authorizes students or families to opt out of this requirement and requires local education agencies to direct families to support and services to comply with this requirement. This bill specifies that information shared by parents and students be handled in compliance of federal and state privacy laws. (AB 132 Senate Floor Analyses.)

The purpose of Article XIII B, section 6 is to [p]reclude the state from shifting financial responsibility for carrying out governmental functions to local agencies, which are ‘ill equipped’ to assume increased financial responsibilities because of the taxing and spending limitations that article XIII A and XIII B impose. (*County of San Diego v. State of California* (1997) 15 Cal.4th 68, 81.) Thus, the subvention requirement of section 6 is “directed to state-mandated increases in the services provided by [local government]...” (*County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, 56.) Reimbursement under Article XIII B, section 6 is required when the following elements are met:

1. A state statute or executive order requires or “mandates” local agencies or school districts to perform an activity. (*San Diego Unified School Dist. v. Commission on State Mandates*, (2004) 33 Cal.4th 859, 874.)

2. The mandated activity either:

a. Carries out the governmental function of providing a service to the public; or

b. Imposes unique requirements on local agencies or school districts and does not apply generally to all residents and entities in the state. (*San Diego Unified School Dist.*, *supra* 33 Cal.4th at 874-875 (reaffirming the test set out in *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, 56).)

3. The mandated activity is new when compared with the legal requirements in effect immediately before the enactment of the test claim statute or executive order, and it increases the level of service provided to the public. (*San Diego Unified School Dist.*, *supra* 33 Cal.4th 859, 874-875, 878; *Lucia Mar Unified School District v. Honig* (1988) 44 Cal 3d 830, 835.)

B. The new program is mandated when the schools incur increased costs.

Government Code section 17514 provides that [c]osts 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.

Government Code section 17564 provides that: [n]o claim shall be made pursuant to Sections 17551, 17561, or 17573, nor shall any payment be made on claims submitted pursuant to Sections 17551, or 17561, or pursuant to a legislative determination under Section 17573, unless these claims exceed one thousand dollars.

Claimant alleges increased costs mandated by the state in the amount of \$60,000,000.00, for California schools impacted by the test claim statutes, which exceeds the \$1,000.00 minimum claim amount articulated in Government Code section 17564(a). Government Code section 17556(e) states that there are no costs mandated by the state, if additional revenue specifically intended to fund the costs of the mandated activities, in an amount sufficient to fund the cost of the state-mandated activities, has been appropriated in a Budget Act or other bill.

There is no evidence that additional on-going revenue has been appropriated, specifically to fund the costs of the mandated activities in this claim. Thus, Government Code section 17556(e) does not apply to deny this claim. Accordingly, the evidence in the record supports the finding that the claimant has incurred increased costs mandated by the state, pursuant to Government Code section 17514. However, to the extent a school receives any funding or grant funding and applies those funds to the mandated activities, those funds are required to be identified as offsetting revenue and deducted from the costs claimed.

Identify the specific sections of statutes or executive orders alleged to contain a mandate. Include a statement that actual and/or estimated costs resulting from the alleged mandate exceeds one thousand dollars (\$1,000.00), and include all of the following elements for each statute or executive order alleged:

Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (pages 36-37); 5 California Code of Regulations ("CCR") § 30035, Appendix A and Appendix B.

Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, added Education Code Section 51225.7 to the Education Code requiring school districts to perform the following new activities:

(b) Commencing with the 2022–23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency shall confirm that a pupil complies with at least one of the following:

(1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.

(2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.

(c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (f). (5 CCR § 30035, Appendix A.)

(d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (5 CCR § 30035, Appendix A.)

(e) The governing board or body of the local educational agency shall ensure both of the following:

(1) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.

(f) The Student Aid Commission shall, on or before July 1, 2022, adopt regulations that include, but are not limited to, model opt-out forms and acceptable use policies for the purpose of providing guidance on the requirements relating to state law in paragraph (2) of subdivision (e). The Student Aid Commission shall post and make available any model opt-out forms and policies established pursuant to this subdivision on its internet website.

(g) A pupil who does not fulfill the requirements of this section shall not be penalized or punished and this section shall not affect a pupil's ability to graduate.

A. Activities

Claimant has incurred or will incur costs implementing the following new activities:

(i) Developing and implementation of internal policies, training, procedures relating to assisting pupils in completing the FAFSA application. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, added Education Code Section 51225.7) requiring school districts to perform the following new activities:

(b) Commencing with the 2022–23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency shall confirm that a pupil complies with at least one of the following:

(1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid. School counselors assist pupils in their senior year of high school and their families to complete the FAFSA starting when application opens in October of the school year until the end of the school year. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7(b)(1).)

(2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to

Section 69508.5 for purposes of the California Dream Act. School counselors assist undocumented students, DACA recipients, U Visa holders and students under Temporary Protected Status who qualify for a non-resident exemption to apply for the California Dream Act. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(2).)

(c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (f). School counselors offer opt-out forms at the school sites. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(c); 5 CCR § 30035, Appendix A.)

(d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(d); 5 CCR § 30035, Appendix A and Appendix B.)

(e) The governing board or body of the local educational agency shall ensure both of the following:

(1) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe. (Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (e)(1, 2); 5 CCR § 30035, Appendix B.)

D. A detailed description of existing activities and costs that are modified by the mandate

None.

E. The actual increased costs incurred by claimant Fresno Unified School District during the fiscal year for which the claim was filed to implement the alleged mandate pertaining to Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 and 5 CCR § 30035, Appendix A and Appendix B are as follows:

Fiscal Year: 2022-2023:

Claimant initially incurred increased costs for the new activities mandated by the test claim statute commencing on July 1, 2022 as follows:

(i) Developing and implementation of internal policies, training, procedures relating to completing FAFSA; \$0.

(ii) Train certificated, classified and other personnel to administer FAFSA. District counselors receive training provided by the California State Association of Counties (“CSAC”). At CSAC there are no costs currently to attend the trainings if they are local. If the training schedule were to change and local trainings were not possible costs would incur for lodging, mileage, car rentals, etc.. However, the district has been fortunate to be able to find local trainings.; \$0. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7.)

(iii) Provide support and assistance to the pupil in completing and submitting to the United States Department of Education a Free Application for Federal Student Aid and assist all High School Seniors and their families to complete the FAFSA application starting when application opens in October until the end of the school year since the federal deadline for applications is June 30. (State Deadline is March 2 for CalGrant) \$1,126,435.04.³ (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(1).)

The District hosts parent nights at each comprehensive high school. Parents are provided with information on how to fill out the FAFSA application, they are informed of the common mistakes, etc. They create an FAFSA ID to electronically sign and fill out the applications while the counselors are providing help with questions or issues that arise. They also provide translation support as needed.

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 incurred by eighty high school counselors on the new activities required. \$1,126,435.04.

(iv) Provide support and assistance if the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act and assist undocumented students, DACA recipients, U Visa holders and students under Temporary Protected Status who qualify for a non-resident exemption, to apply for the California Dream Act. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(2).)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 time incurred by eighty high school counselors on the new activities required. \$1,126,435.04.

(v) Provide support and assistance to the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The district offers opt-out forms at the school sites if it is the wishes of the emancipated minor, 18-year-old student or guardian to not complete a FAFSA. (Assembly Bill No. 132

³ The FAFSA related activities performed by eighty high school counselors involves a total of ten percent of the counselors time during the 2202-2023 school year. A counselor's caseload can average 350-400 students There are approximately 3,538 seniors in the district based on the HS Enrollment Report Ran June 7, 2023. The amount of

Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (c); 5 CCR § 30035, Appendix A.)

This activity is included in the ten percent (10%) of the total of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.⁴

(vi) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (d), 5 CCR § 30035, Appendix A.)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 incurred by eighty high school counselors on the new activities required. \$1,126,435.04.

(vii) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (e)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

Attached are documents in support of the 2022-2023 labor costs relating to the FAFSA Program.

⁴ \$1,126,435.04 represents ten percent of the total salary and benefits for eighty high school counselors time during the 2022-2023 school year.

(viii) District has designated an individual responsible for implementing FAFSA program Acceptable Use Policy and ensuring compliance with its provisions and confidentiality it collects of student information pertaining to FAFSA/CAADA for purposes of complying with Education Code Section 51225.7; 5 CCR § 30035; Appendix B.)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

F. The actual or estimated annual increased costs that will be incurred by claimant Fresno Unified School District to implement the new activities during the fiscal year immediately following the fiscal year for which the claim was filed are as follows:

Fiscal Year: 2023-2024

The new activities performed, or to be performed, to implement provisions of the new claim statute alleged to impose the reimbursable mandate, Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 includes the following:

- (i) Developing and implementation of internal policies, training, procedures relating to completing FAFSA; \$ 0.
- (ii) Train certificated, classified and other personnel to administer FAFSA. District counselors are anticipated to receive training provided by the California State Association of Counties (“CSAC”). At CSAC there are no costs currently to attend the trainings if they are local. If the training schedule were to change and local trainings where not possible costs would incur for lodging, mileage, car rentals, etc. However, the district has been fortunate to be able to find local trainings.; \$0. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7.)
- (iii) Provide support and assistance to the pupil in completing and submitting to the United States Department of Education a Free Application for Federal Student Aid. \$1,145,366.30. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30.

(iv) Provide support and assistance if the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(2).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 time incurred by eighty high school counselors on the new activities required. \$1,145,366.

(v) Provide support and assistance to the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. \$1,145,366.30. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (c); 5 CCR § 30035; Appendix A.)

This activity is included in the ten percent (10%) of the total of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities. \$1,145,366.

(vi) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf.

\$1,145,366.30. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (d); 5 CCR § 30035; Appendix A.)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required.

(vii) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (e)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30.

Attached are documents in support of the 2022-2023 labor costs relating to the FAFSA Program.

(viii) District has designated an individual responsible for implementing FAFSA program Acceptable Use Policy and ensuring compliance with its provisions and confidentiality it collects of student information pertaining to FAFSA/CAADA for purposes of complying with Education Code Section 51225.7; 5 CCR § 30035; Appendix B.)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

G. A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the new activities during the fiscal year immediately following the fiscal year for which the claim was filed is as follows:

\$60 million.

H. Identification of all of the following funding sources available for this program:

(i) **Dedicated state funds⁵**

Claimant is unaware at this time of any other dedicated state funds available for this program.

⁵ Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the State shall provide a subvention of funds to reimburse that local government for the costs of the program or increased level of service. (Cal. Const. art. 13B, § 6)

(ii) **Dedicated federal funds**

Claimant is unaware at this time of any other dedicated state funds available for this program.

(iii) **Other nonlocal agency funds**

Claimant is unaware at this time of any other dedicated state funds available for this program.

(iv) **The local agency's general purpose funds**

Claimant's general funds are available for this program.

(v) **Fee authority to offset costs**

Claimant is unaware at this time of any other dedicated state funds available for this program.

I. Identification of prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate.

Claimant is unaware at this time of any other dedicated state funds available for this program.

J. Dedicated funding sources for this program.

Claimant is unaware at this time of any other dedicated state funds available for this program.

K. Identification of a legislatively determined mandate pursuant to Government Code section 17573 that is on the same statute or executive order

Claimant is unaware at this time of any legislatively determined mandates, that are on, or may be related to, the same statute or executive order.

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

SECTION NUMBER: 6
Heading: DECLARATION

I, Kim Kelstrom, Chief Executive, Fiscal Services, Fresno Unified School District
("District") declare as follows:

1. I am currently employed with the District, and I have personal knowledge of the actual and estimated costs incurred by the District for the Free Application for Federal Student Aid ("FAFSA") program commencing on July 1, 2022. The information contained in my declaration is from preparing and reviewing District business records, my personal knowledge and my information or belief pertaining to the FAFSA program.
2. The new requirements included in test claim statute Assembly Bill No. 132, Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 and Title 5 California Code of Regulations ("5 CCR") § 30035; Appendix A, Appendix B includes the following:
 - (b) Commencing with the 2022–23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency shall confirm that a pupil complies with at least one of the following:
 - (1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.
 - (2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.
 - (c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (f).
 - (d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf.

(e) The governing board or body of the local educational agency shall ensure both of the following:

(1) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.

(f) The Student Aid Commission shall, on or before July 1, 2022, adopt regulations that include, but are not limited to, model opt-out forms and acceptable use policies for the purpose of providing guidance on the requirements relating to state law in paragraph (2) of subdivision (e). The Student Aid Commission shall post and make available any model opt-out forms and policies established pursuant to this subdivision on its internet website.

(g) A pupil who does not fulfill the requirements of this section shall not be penalized or punished and this section shall not affect a pupil's ability to graduate.

3. The new activities performed, or to be performed to implement provisions of the new claim statute alleged to impose the reimbursable mandate, Assembly Bill No. 132 Statutes 2021,

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

Chapter 144, Section 10, Education Code Section 51225.7; 5 California Code of Regulations § 30035; Appendix A, Appendix B and the increased costs for performing the activities for complying with the test claim statute for **2022-2023** are as follows:

- (i) Developing and implementation of internal policies, training, procedures relating to completing FAFSA; \$0.
- (ii) Train certificated, classified and other personnel to administer FAFSA. District counselors receive training provided by the California State Association of Counties ("CSAC"). At CSAC there are no costs currently to attend the trainings if they are local. If the training schedule were to change and local trainings were not possible costs would incur for lodging, mileage, car rentals, etc.. However, the district has been fortunate to find local training.; \$0. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7.)
- (iii) Provide support and assistance to the pupil in completing and submitting to the United States Department of Education a Free Application for Federal Student Aid and assist all High School Seniors and their families to complete the FAFSA application starting when application opens in October until the end of the school year since the federal deadline for applications is June 30. (State Deadline is March 2 for Cal Grant) \$1,126,435.04. ¹ (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(1).)

The District hosts parent nights at each comprehensive high school. Parents are provided with information on how to fill out the FAFSA application and are informed of the common mistakes, etc. An FAFSA ID is established to electronically sign and fill out the

¹ The FAFSA related activities performed by eighty high school counselors involves a total of ten percent of the counselors time during the 2022-2023 school year. A counselor's caseload can average 350-400 students. There are approximately 3,538 seniors in the district based on the HS Enrollment Report Ran June 7, 2023. The amount of \$1,126,435.04 represents ten percent of the total salary and benefits for eighty high school counselors time during the 2022-2023 school year.

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

applications while the counselors are providing help with questions or issues that arise.

Counselors also provide translation support. \$1,126,435.04.

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 incurred by eighty high school counselors on the new activities required.

- (iv) Provide support and assistance if the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act and assist undocumented students, DACA recipients, U Visa holders and students under Temporary Protected Status who qualify for a non-resident exemption, to apply for the California Dream Act. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(2).)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 time incurred by eighty high school counselors on the new activities required. \$1,126,435.04.

- (v) Provide support and assistance to the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The district offers opt-out forms at the school sites if it is the wishes of the emancipated minor, 18 year old student or guardian to not complete a FAFSA. Form is attached as an exhibit. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (c); 5 CCR § 30035; Appendix A.)

This activity is included in the ten percent (10%) of the total of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

- (vi) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (d); (5 CCR § 30035; Appendix A.)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 incurred by eighty high school counselors on the new activities required. \$1,126,435.04.

- (vii) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (e)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

Attached are documents in support of the 2022-2023 labor costs relating to the FAFSA Program.

- (viii) District has designated an individual responsible for implementing FAFSA program Acceptable Use Policy and ensuring compliance with its provisions and confidentiality it collects of student information pertaining to FAFSA/CAADA for purposes of complying with Education Code Section 51225.7; 5 CCR § 30035; Appendix B.)

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

This activity is included in the ten percent (10%) of the total annual time in 2022-2023 spent by eighty high school counselors on the new activities required. \$1,126,435.04.

4. The increased estimated costs for complying with the test claim statute for **2023-2024** are as follows:

The new activities performed, or to be performed, to implement provisions of the new claim statute alleged to impose the reimbursable mandate, Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 includes the following:

- (i) Developing and implementation of internal policies, training, procedures relating to completing FAFSA; \$ 0.
- (ii) Train certificated, classified and other personnel to administer FAFSA. District counselors are anticipated to receive training provided by the California State Association of Counties ("CSAC"). At CSAC there are no costs currently to attend the trainings if they are local. If the training schedule were to change and local trainings were not possible costs would incur for lodging, mileage, car rentals, etc. However, the district has been fortunate to be able to find local trainings.; \$0.
(Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7.)
- (iii) Provide support and assistance to the pupil in completing and submitting to the United States Department of Education a Free Application for Federal Student Aid.
(Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30 ²

² The FAFSA related activities performed by eighty high school counselors involves a total of ten percent of the counselors time during the 2023-2024 school year. A counselor's caseload can average 350-400 students. It is estimated there will be 3,538 seniors in the district based on the previous year's HS Enrollment Report Ran on June 7, 2023. The amount of \$1,145,366 represents ten percent of the total salary and benefits for eighty high school counselors time during the 2023-2024 school year.

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

- (iv) Provide support and assistance if the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (b)(2).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 time incurred by eighty high school counselors on the new activities required. \$1,145,366.

- (v) Provide support and assistance to the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (c).)

This activity is included in the ten percent (10%) of the total of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities. \$1,145,366.30.

- (vi) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (d); (5 CCR § 30035; Appendix A.)

Test Claim: Free Application for Federal Student Aid ("FAFSA")
Claimant: Fresno Unified School District
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30.

- (vii) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations. (Assembly Bill No. 132 Statutes 2021, Chapter 144, Section 10, Education Code Section 51225.7 (e)(1).)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30.

Attached are documents in support of the 2023-2024 labor costs relating to the FAFSA Program.

- (viii) District has designated an individual responsible for implementing FAFSA program Acceptable Use Policy and ensuring compliance with its provisions and confidentiality it collects of student information pertaining to FAFSA/CAADA for purposes of complying with Education Code Section 51225.7; 5 CCR § 30035; Appendix B.)

This activity is included in the ten percent (10%) of the total annual time in 2023-2024 incurred by eighty high school counselors on the new activities required. \$1,145,366.30.

5. Local agency (general) funds are available for this program and were the source of funds for the costs submitted for FY 2022-2023 and FY 2023-2024. Costs incurred for the FAFSA program were initially incurred after July 1, 2022.

Test Claim: Free Application for Federal Student Aid ("FAFSA")

Claimant: Fresno Unified School District

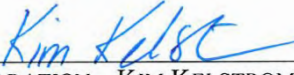
Section: 6 Declaration – Kim Kelstrom, Executive Officer, Fiscal Services,
Fresno Unified School District

6. I am unaware of any local, state, or federal funds or fee authority that may be used to offset the increased costs that will be incurred by claimant to implement the alleged mandate, including direct and indirect costs.

7. I estimate the statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim is \$60 million.

I certify by my signature below, under penalty of perjury under the laws of the State of California, that the statements made in this document are true and complete to the best of my own personal knowledge or information and belief and I am authorized and competent to do so.

Dated: June 23, 2023



DECLARATION – KIM KELSTROM, CHIEF EXECUTIVE
FISCAL SERVICES, FRESNO UNIFIED SCHOOL
DISTRICT

Fresno Unified School District
2023-24 FAFSA Estimated Costs

DepartmentLongName	JobCode	JobLongName	Fte	SalaryAllocation	Benefits	Salary & Benefits	10% of Salaries and Benefits
Bullard High School	E060	Counselor, School	0.25	\$29,362.25	\$12,941.75	\$42,304.00	\$4,230.40
Bullard High School	E060	Counselor, School	0.25	\$28,753.00	\$12,805.00	\$41,558.00	\$4,155.80
Bullard High School	E060	Counselor, School	0.25	\$29,362.25	\$12,940.75	\$42,303.00	\$4,230.30
Bullard High School	E060	Counselor, School	0.25	\$27,331.25	\$12,466.75	\$39,798.00	\$3,979.80
Bullard High School	E060	Counselor, School	0.25	\$27,331.25	\$12,474.75	\$39,806.00	\$3,980.60
Bullard High School	E060	Counselor, School	0.25	\$27,331.25	\$12,471.75	\$39,803.00	\$3,980.30
Bullard High School	E060	Counselor, School	0.75	\$88,086.75	\$38,822.25	\$126,909.00	\$12,690.90
Bullard High School	E060	Counselor, School	0.75	\$86,259.00	\$38,411.00	\$124,670.00	\$12,467.00
Bullard High School	E060	Counselor, School	0.75	\$88,086.75	\$38,821.25	\$126,908.00	\$12,690.80
Bullard High School	E060	Counselor, School	0.75	\$81,993.75	\$37,403.25	\$119,397.00	\$11,939.70
Bullard High School	E060	Counselor, School	0.75	\$81,993.75	\$37,428.25	\$119,422.00	\$11,942.20
Bullard High School	E060	Counselor, School	0.75	\$81,993.75	\$37,419.25	\$119,413.00	\$11,941.30
Bullard High School	E060	Counselor, School	1	\$109,325.00	\$49,902.00	\$159,227.00	\$15,922.70
Bullard High School	E060	Counselor, School	1	\$109,325.00	\$49,900.00	\$159,225.00	\$15,922.50
Bullard High School	E062	Counselor, Head	1	\$122,270.00	\$52,921.00	\$175,191.00	\$17,519.10
Bullard High School	E060	Counselor, School	1	\$104,171.00	\$48,750.00	\$152,921.00	
Cambridge	E060	Counselor, School	1	\$109,325.00	\$49,898.00	\$159,223.00	\$15,922.30
Cambridge	E060	Counselor, School	1	\$109,325.00	\$49,888.00	\$159,213.00	\$15,921.30
Design Science High School	E060	Counselor, School	0.38	\$43,668.75	\$19,350.25	\$63,019.00	\$6,301.90
Design Science High School	E060	Counselor, School	0.63	\$72,781.25	\$32,249.75	\$105,031.00	\$10,503.10
Dewolf High School	E060	Counselor, School	1	\$109,325.00	\$49,913.00	\$159,238.00	\$15,923.80
Duncan Polytechnical	E060	Counselor, School	0.25	\$29,362.25	\$12,943.75	\$42,306.00	\$4,230.60
Duncan Polytechnical	E060	Counselor, School	0.75	\$88,086.75	\$38,830.25	\$126,917.00	\$12,691.70
Duncan Polytechnical	E060	Counselor, School	1	\$117,450.00	\$51,787.00	\$169,237.00	\$16,923.70
Duncan Polytechnical	E062	Counselor, Head	1	\$125,751.00	\$53,678.00	\$179,429.00	\$17,942.90
Duncan Polytechnical	E060	Counselor, School	1	\$104,171.00	\$48,750.00	\$152,921.00	
Duncan Polytechnical	E060	Counselor, School	1	\$109,325.00	\$49,946.00	\$159,271.00	
Edison High School	E060	Counselor, School	0.25	\$26,042.75	\$12,167.25	\$38,210.00	\$3,821.00
Edison High School	E060	Counselor, School	0.25	\$24,521.75	\$14,851.25	\$39,373.00	\$3,937.30
Edison High School	E060	Counselor, School	0.25	\$27,284.25	\$12,461.75	\$39,746.00	\$3,974.60
Edison High School	E060	Counselor, School	0.25	\$27,331.25	\$12,485.75	\$39,817.00	\$3,981.70
Edison High School	E060	Counselor, School	0.25	\$27,331.25	\$12,471.75	\$39,803.00	\$3,980.30
Edison High School	E060	Counselor, School	0.25	\$23,394.25	\$11,572.75	\$34,967.00	\$3,496.70
Edison High School	E060	Counselor, School	0.75	\$78,128.25	\$36,498.75	\$114,627.00	\$11,462.70
Edison High School	E060	Counselor, School	0.75	\$73,565.25	\$44,551.75	\$118,117.00	\$11,811.70
Edison High School	E060	Counselor, School	0.75	\$81,852.75	\$37,383.25	\$119,236.00	\$11,923.60
Edison High School	E060	Counselor, School	0.75	\$81,993.75	\$37,459.25	\$119,453.00	\$11,945.30
Edison High School	E060	Counselor, School	0.75	\$81,993.75	\$37,419.25	\$119,413.00	\$11,941.30
Edison High School	E060	Counselor, School	0.75	\$70,182.75	\$34,719.25	\$104,902.00	\$10,490.20
Edison High School	E060	Counselor, School	1	\$111,450.00	\$50,392.00	\$161,842.00	\$16,184.20
Edison High School	E060	Counselor, School	1	\$109,325.00	\$49,888.00	\$159,213.00	\$15,921.30
Edison High School	E062	Counselor, Head	1	\$125,751.00	\$53,685.00	\$179,436.00	\$17,943.60

Fresno Unified School District
2023-24 FAFSA Estimated Costs

DepartmentLongName	JobCode	JobLongName	Fte	SalaryAllocation	Benefits	Salary & Benefits	10% of Salaries and Benefits
Edison High School	E060	Counselor, School	1	\$94,577.00	\$46,525.00	\$141,102.00	
Fresno High School	E060	Counselor, School	0.25	\$29,362.25	\$12,948.75	\$42,311.00	\$4,231.10
Fresno High School	E060	Counselor, School	0.25	\$28,550.00	\$12,754.00	\$41,304.00	\$4,130.40
Fresno High School	E060	Counselor, School	0.25	\$29,362.25	\$12,946.75	\$42,309.00	\$4,230.90
Fresno High School	E060	Counselor, School	0.25	\$28,550.00	\$12,753.00	\$41,303.00	\$4,130.30
Fresno High School	E060	Counselor, School	0.25	\$27,331.25	\$12,485.75	\$39,817.00	\$3,981.70
Fresno High School	E060	Counselor, School	0.75	\$88,086.75	\$38,845.25	\$126,932.00	\$12,693.20
Fresno High School	E060	Counselor, School	0.75	\$85,650.00	\$38,262.00	\$123,912.00	\$12,391.20
Fresno High School	E060	Counselor, School	0.75	\$88,086.75	\$38,839.25	\$126,926.00	\$12,692.60
Fresno High School	E060	Counselor, School	0.75	\$85,650.00	\$38,258.00	\$123,908.00	\$12,390.80
Fresno High School	E060	Counselor, School	0.75	\$81,993.75	\$37,459.25	\$119,453.00	\$11,945.30
Fresno High School	E060	Counselor, School	1	\$109,325.00	\$49,873.00	\$159,198.00	\$15,919.80
Fresno High School	E060	Counselor, School	1	\$109,325.00	\$49,888.00	\$159,213.00	\$15,921.30
Fresno High School	E062	Counselor, Head	1	\$125,751.00	\$53,690.00	\$179,441.00	\$17,944.10
Fresno High School	E060	Counselor, School	1	\$93,577.00	\$46,293.00	\$139,870.00	
Hoover High School	E060	Counselor, School	0.25	\$29,362.25	\$12,950.75	\$42,313.00	\$4,231.30
Hoover High School	E060	Counselor, School	0.25	\$27,331.25	\$12,482.75	\$39,814.00	\$3,981.40
Hoover High School	E060	Counselor, School	0.25	\$24,813.75	\$11,897.25	\$36,711.00	\$3,671.10
Hoover High School	E060	Counselor, School	0.25	\$23,394.25	\$11,572.75	\$34,967.00	\$3,496.70
Hoover High School	E060	Counselor, School	0.25	\$25,792.75	\$15,301.25	\$41,094.00	\$4,109.40
Hoover High School	E060	Counselor, School	0.75	\$88,086.75	\$38,849.25	\$126,936.00	\$12,693.60
Hoover High School	E060	Counselor, School	0.75	\$81,993.75	\$37,453.25	\$119,447.00	\$11,944.70
Hoover High School	E060	Counselor, School	0.75	\$74,441.25	\$35,691.75	\$110,133.00	\$11,013.30
Hoover High School	E060	Counselor, School	0.75	\$70,182.75	\$34,719.25	\$104,902.00	\$10,490.20
Hoover High School	E060	Counselor, School	0.75	\$77,378.25	\$45,899.75	\$123,278.00	\$12,327.80
Hoover High School	E060	Counselor, School	1	\$110,950.00	\$50,292.00	\$161,242.00	\$16,124.20
Hoover High School	E062	Counselor, Head	1	\$117,047.00	\$51,671.00	\$168,718.00	\$16,871.80
Hoover High School	E060	Counselor, School	1	\$94,577.00	\$46,525.00	\$141,102.00	
JE Young eLearn Academy	E060	Counselor, School	1	\$109,325.00	\$49,899.00	\$159,224.00	\$15,922.40
JE Young eLearn Academy	E060	Counselor, School	1	\$99,255.00	\$47,607.00	\$146,862.00	\$14,686.20
JE Young Independent Study	E060	Counselor, School	0.25	\$27,331.25	\$12,477.75	\$39,809.00	\$3,980.90
JE Young Independent Study	E060	Counselor, School	0.75	\$81,993.75	\$37,435.25	\$119,429.00	\$11,942.90
JE Young Independent Study	E060	Counselor, School	1	\$109,325.00	\$49,940.00	\$159,265.00	\$15,926.50
McLane High School	E060	Counselor, School	0.25	\$27,331.25	\$12,471.75	\$39,803.00	\$3,980.30
McLane High School	E060	Counselor, School	0.25	\$27,331.25	\$12,473.75	\$39,805.00	\$3,980.50
McLane High School	E060	Counselor, School	0.25	\$27,331.25	\$12,485.75	\$39,817.00	\$3,981.70
McLane High School	E060	Counselor, School	0.25	\$23,644.25	\$11,630.75	\$35,275.00	\$3,527.50
McLane High School	E060	Counselor, School	0.25	\$23,644.25	\$11,629.75	\$35,274.00	\$3,527.40
McLane High School	E060	Counselor, School	0.75	\$81,993.75	\$37,419.25	\$119,413.00	\$11,941.30
McLane High School	E060	Counselor, School	0.75	\$81,993.75	\$37,425.25	\$119,419.00	\$11,941.90
McLane High School	E060	Counselor, School	0.75	\$81,993.75	\$37,459.25	\$119,453.00	\$11,945.30
McLane High School	E060	Counselor, School	0.75	\$70,932.75	\$34,894.25	\$105,827.00	\$10,582.70

Fresno Unified School District
2023-24 FAFSA Estimated Costs

DepartmentLongName	JobCode	JobLongName	Fte	SalaryAllocation	Benefits	Salary & Benefits	10% of Salaries and Benefits
McLane High School	E060	Counselor, School	0.75	\$70,932.75	\$34,892.25	\$105,825.00	\$10,582.50
McLane High School	E060	Counselor, School	1	\$99,255.00	\$47,607.00	\$146,862.00	\$14,686.20
McLane High School	E062	Counselor, Head	1	\$119,659.00	\$52,298.00	\$171,957.00	\$17,195.70
McLane High School	E060	Counselor, School	1	\$104,171.00	\$48,750.00	\$152,921.00	
Phillip J Patino School of	E060	Counselor, School	1	\$109,325.00	\$49,919.00	\$159,244.00	\$15,924.40
Phoenix Secondary	E060	Counselor, School	1	\$116,637.00	\$51,595.00	\$168,232.00	\$16,823.20
Roosevelt High School	E060	Counselor, School	0.25	\$29,237.25	\$12,916.75	\$42,154.00	\$4,215.40
Roosevelt High School	E060	Counselor, School	0.25	\$28,956.25	\$12,852.75	\$41,809.00	\$4,180.90
Roosevelt High School	E060	Counselor, School	0.25	\$28,347.00	\$12,712.00	\$41,059.00	\$4,105.90
Roosevelt High School	E060	Counselor, School	0.25	\$27,331.25	\$12,480.75	\$39,812.00	\$3,981.20
Roosevelt High School	E060	Counselor, School	0.25	\$27,331.25	\$12,482.75	\$39,814.00	\$3,981.40
Roosevelt High School	E060	Counselor, School	0.75	\$87,711.75	\$38,753.25	\$126,465.00	\$12,646.50
Roosevelt High School	E060	Counselor, School	0.75	\$86,868.75	\$38,558.25	\$125,427.00	\$12,542.70
Roosevelt High School	E060	Counselor, School	0.75	\$85,041.00	\$38,135.00	\$123,176.00	\$12,317.60
Roosevelt High School	E060	Counselor, School	0.75	\$81,993.75	\$37,445.25	\$119,439.00	\$11,943.90
Roosevelt High School	E060	Counselor, School	0.75	\$81,993.75	\$37,451.25	\$119,445.00	\$11,944.50
Roosevelt High School	E060	Counselor, School	1	\$109,325.00	\$49,943.00	\$159,268.00	\$15,926.80
Roosevelt High School	E060	Counselor, School	1	\$109,325.00	\$49,913.00	\$159,238.00	\$15,923.80
Roosevelt High School	E062	Counselor, Head	1	\$116,918.00	\$51,696.00	\$168,614.00	\$16,861.40
Roosevelt High School	E060	Counselor, School	1	\$94,577.00	\$46,525.00	\$141,102.00	
Sunnyside High School	E060	Counselor, School	0.25	\$29,362.25	\$12,949.75	\$42,312.00	\$4,231.20
Sunnyside High School	E060	Counselor, School	0.25	\$28,550.00	\$12,760.00	\$41,310.00	\$4,131.00
Sunnyside High School	E060	Counselor, School	0.25	\$28,753.00	\$12,806.00	\$41,559.00	\$4,155.90
Sunnyside High School	E060	Counselor, School	0.25	\$29,362.25	\$12,949.75	\$42,312.00	\$4,231.20
Sunnyside High School	E060	Counselor, School	0.25	\$27,737.75	\$15,921.25	\$43,659.00	\$4,365.90
Sunnyside High School	E060	Counselor, School	0.25	\$23,644.25	\$11,627.75	\$35,272.00	\$3,527.20
Sunnyside High School	E060	Counselor, School	0.25	\$23,644.25	\$11,630.75	\$35,275.00	\$3,527.50
Sunnyside High School	E060	Counselor, School	0.75	\$88,086.75	\$38,848.25	\$126,935.00	\$12,693.50
Sunnyside High School	E060	Counselor, School	0.75	\$85,650.00	\$38,280.00	\$123,930.00	\$12,393.00
Sunnyside High School	E060	Counselor, School	0.75	\$86,259.00	\$38,417.00	\$124,676.00	\$12,467.60
Sunnyside High School	E060	Counselor, School	0.75	\$88,086.75	\$38,848.25	\$126,935.00	\$12,693.50
Sunnyside High School	E060	Counselor, School	0.75	\$83,213.25	\$47,758.75	\$130,972.00	\$13,097.20
Sunnyside High School	E060	Counselor, School	0.75	\$70,932.75	\$34,884.25	\$105,817.00	\$10,581.70
Sunnyside High School	E060	Counselor, School	0.75	\$70,932.75	\$34,894.25	\$105,827.00	\$10,582.70
Sunnyside High School	E060	Counselor, School	1	\$109,325.00	\$49,898.00	\$159,223.00	\$15,922.30
Sunnyside High School	E060	Counselor, School	1	\$108,325.00	\$49,715.00	\$158,040.00	\$15,804.00
Sunnyside High School	E062	Counselor, Head	1	\$117,918.00	\$51,892.00	\$169,810.00	\$16,981.00
Sunnyside High School	E060	Counselor, School	1	\$94,577.00	\$46,525.00	\$141,102.00	

\$1,145,366.30



FUSD FAFSA or CADAA Opt-Out Form

The Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA) determines a student's eligibility for financial aid to assist with a student's attendance at a college or career school. **California Education Code (CEC) § 51225.7 requires a local educational agency to confirm each 12th-grade student's completion and submission of a FAFSA or CADAA unless the student is determined to be exempt or an opt-out form is completed by a student who is a legally emancipated minor, a student who is 18 years or older, a legal guardian, or parent, or a local educational agency on a student's behalf.** This opt-out form permits a student to **opt-out** of the completion of a FAFSA or CADAA form.

To opt a pupil out of the Financial Aid Application requirement, please complete this form and return it to your high school counselor by December 30, 2022.

Submitting a Financial Aid Application Opt-Out Form does not prohibit a pupil from completing and submitting a financial aid application at any time in the future.

STUDENT INFORMATION

Student name (First, Middle Initial, Last)	
Date of Birth (Month, Day, Year)	
Statewide Student Identifier (SSID)	

Option 1 – Student Authorization (emancipated minor or age 18 or older): By signing this form, I have read the information on the reverse, I understand what the FAFSA and CADAA are, and I choose not to submit the completed financial aid application		
Student Signature	Student Printed Name	Date
Option 2 – Parent or Guardian Authorization: The student named on this form is under the age of 18. I am a parent or legal guardian of the above-named student, and by signing this form, I have read the information on the reverse, I understand what the FAFSA and CADAA are, and I choose for my pupil not to submit the completed financial aid application.		
Parent/Guardian Signature	Parent/Guardian Printed Name	Date
Option 3- Counselor's Authorization: My signature below certifies that reasonable counseling efforts were provided to ensure the student completed the FAFSA/CADAA application, but I have determined that the student is unable to complete the requirements of Education Code Section 51225.7. Please check all that apply below.		
<input type="checkbox"/> Workforce <input type="checkbox"/> Military <input type="checkbox"/> Out of District <input type="checkbox"/> Out of the Country <input type="checkbox"/> 5th year graduate <input type="checkbox"/> ALPS Cert of Comp		
Counselor Signature	Counselor Printed Name	Date
Option 4 – Counselor Authorization: My signature below certifies that reasonable efforts to ensure efforts were made to reach the student and parent after learning the student dropped from the district's (Atlas) system and cannot be reached.		
Counselor's notes:		
Counselor Signature	Counselor Printed Name	Date

Please note: All completed Opt-Out forms are to be kept confidential. Counselors will collect, monitor, and retain by the FAFSA lead at your high school and will scan copies to send to the FAFSA lead at the district. Please send completed FAFSA opt-out forms to Gloria.ponce-rodriguez@fresnounified.org. You will need to collect by

Frequently Asked Questions about the Free Application for Federal Student Aid (FAFSA) and the California Dream Act Application (CADAA)

“What if I am attending college in the Spring or the following summer, do I have to complete the 2023/24 FAFSA/CADAA?”

Yes. The FAFSA/CADAA for the academic year 2023.2024 which includes the fall, spring, and summer academic year.

“What is the FAFSA/CADAA?” The Free Application for Federal Student Aid (FAFSA) is the online application that allows a pupil to apply simultaneously for federal student aid (including the Federal Pell Grant, work-study opportunities, and federal student loans) and state financial aid such as the Cal Grant program. Many colleges and universities use it for their aid programs, too. The California Dream Act Application (CADAA) is a similar application that provides a path for some students who do not qualify for federal aid to apply for state and University-funded assistance. Applying for the FAFSA/CADAA could qualify you for free money through federal, state and university grants and scholarships that help cover the cost of your education.

“Do I need to have citizenship or DACA to apply for financial aid?” No, while you must be a citizen to apply for federal financial aid through the FAFSA, the CADAA is available to any California student that meets what is called “AB 540 criteria” that qualifies them for in-state tuition rates at a University of California or California State University campus, as well as state financial aid like the Cal Grant. Before deciding whether to apply, you can check <https://www.csac.ca.gov/undocumented-dreamer-students> to understand if you might be eligible for financial aid.

“Isn’t the application too long and difficult to complete?” Most applicants complete the FAFSA or CADAA in about 30 minutes. If you have questions, talk to your school counselor. If you need assistance with your application, sign up for a local “Cash for College Workshop” at: <https://www.cash4college.csac.ca.gov/>.

“If I want to learn a trade, can the FAFSA/CADAA still be of assistance to me?” The FAFSA/CADAA applications are not just for California associate’s or bachelor’s degree programs! FAFSA applicants can receive need-based Federal Pell grants, federal student loans, and other federal student aid for technical, trade, and vocational programs. CADAA applicants also have state financial aid opportunities at community colleges and at other schools and training programs. Pupils can check with the school they want to attend or use the federal government’s online College Navigator tool to find out which institutions participate in the programs: <https://nces.ed.gov/collegenavigator/>

“Does my family make too much money to benefit from the FAFSA/CADAA?” Financial aid is left on the table every year by pupils who didn’t apply because they erroneously thought they were ineligible. You really don’t know until you apply! Income and assets are factors in determining your eligibility, but so are things like the number of pupils in the family who are in school and the age of the parent(s). For pupils from families that do make too much to qualify for need-based grant aid, the FAFSA/CADAA can still be helpful since it is used to determine eligibility for other federal and state financial aid such as the Middle-Class Scholarship, work-study programs, federal student loans (usually at competitive rates and with more borrower protections than private loans, including options for income-based repayment and forgiveness programs for some careers) DREAM loans for CADAA applicants at UC and CSU campuses, and other types of aid. Your college may also offer aid based on your FAFSA/CADAA info, and your eligibility may differ depending on your school. Additionally, some scholarship programs use information from the FAFSA/CADAA as part of the application process. As most financial aid is awarded in date order based on FAFSA/CADAA filing date, it is a very good idea to complete the application as early as possible. This “place in line” can be used for opportunities that come up later, and also can be used if family financial circumstances suddenly change.

“What if I don’t want a student loan?” Filing the application doesn’t commit you to anything. You’ll just find out whether you might be eligible for aid!

“How is the FAFSA/CADAA data protected?” “I don’t want my information sold, and I don’t want my school to have it.” By law, your personally identifiable Information (PII) in the FAFSA can only be used in furtherance of administering financial aid, including research. Although your high school will know whether you completed the FAFSA, it will not have access to the information that you provide on your FAFSA. The California Student Aid Commission (CSAC) released a joint statement with the California Department of Education stating, “The information provided via the California Dream Act Application is used solely to determine eligibility for state financial aid and isn’t shared with the federal government or used for immigration enforcement purposes. The CSAC will protect this information to the fullest extent of the law.” To read the full statement, visit <https://www.csac.ca.gov/post/joint-message-california-department-of-education-and-california-student-aid-commission>

“If I choose to file an application, how will I know that my application is complete?” Once you submit the FAFSA or the CADAA, you will receive confirmation of receipt at the email address you provided in the application. This will allow you to demonstrate that you’ve met the requirement of filing an application even if there are circumstances that will need to be addressed with the college/university’s financial aid office later.

Please note: All completed Opt-Out forms are to be kept confidential. Counselors will collect, monitor, and retain by the FAFSA lead at your high school and will scan copies to send to the FAFSA lead at the district. Please send completed FAFSA opt-out forms to Gloria.ponce-rodriguez@fresnounified.org. You will need to collect by

Assembly Bill No. 132

CHAPTER 144

An act to amend Section 1798.24 of the Civil Code, to amend Sections 10851, 10852, 10855, 10858, 10859, 44230, 60900, 66021.2, 66021.9, 66744, 69432, 69432.9, 69434, 69434.5, 69435, 69437, 69437.6, 69465, 69617, 69951, 69952, 69954, 69956, 69958, 69959, 69960, 69962, 69963, 69964, 69967, 69996.2, 69996.3, 69996.6, 70022, 70023, 76300, 78052, 84321.62, 84750.4, and 94892.6 of, to amend the heading of Article 18 (commencing with Section 69950) of Chapter 2 of Part 42 of Division 5 of Title 3 of, to add Sections 51225.7, 60900.5, 66023.5, 69996.7, 69996.8, and 69996.9 to, to add the heading of Article 1 (commencing with Section 10850) to, to add Article 2 (commencing with Section 10860) to, Chapter 8.5 of Part 7 of Division 1 of Title 1 of, to add Article 3.5 (commencing with Section 69435.5) to, to add Article 10 (commencing with Section 69470) to, Chapter 1.7 of, to add Article 9 (commencing with Section 69670) to Chapter 2 of, Part 42 of Division 5 of, to add Article 6.4 (commencing with Section 92657) to Chapter 6 of, to add Chapter 16 (commencing with Section 93000) to Part 57 of Division 9 of, to add Chapter 5.7 (commencing with Section 99275) to Part 65 of Division 14 of, and to add Part 53.5 (commencing with Section 88750) to Division 7 of, Title 3 of, to add and repeal Sections 66744.1 and 66744.2 of, to repeal Sections 69965, 69966, 69968, 69969.5, 89007.7, 89780, and 92060 of, and to repeal and add Sections 69950 and 69969 of, the Education Code, to add the heading of Part 1 (commencing with Section 32000) to, and to add Part 2 (commencing with Section 32100) to, Division 14.8 of the Food and Agricultural Code, to add Section 8334.1 to the Government Code, to amend Section 20662 of the Public Contract Code, to amend Section 1095 of the Unemployment Insurance Code, and to amend Items 6870-101-0001, 6870-121-0001, 6980-101-0001, and 6980-101-3263 of Section 2.00 of the Budget Act of 2020 (Chapters 6 and 7 of the Statutes of 2020 and Chapter 4 of the Statutes of 2021), relating to postsecondary education, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor July 27, 2021. Filed with Secretary of State July 27, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 132, Committee on Budget. Postsecondary education trailer bill.

(1) Existing law establishes the California Longitudinal Pupil Achievement Data System, which is maintained by the State Department of Education and consists of pupil data regarding demographic, program participation, enrollment, and statewide assessments.

Existing law establishes the California Cradle-to-Career Data System Workgroup to assess, recommend, and advise about statewide data infrastructure that integrates data from state entities responsible for elementary and secondary education data, entities responsible for early learning data, segments of public higher education, private colleges and universities, state entities responsible for student financial aid, childcare providers, state labor and workforce development agencies, and state departments administering health and human services programs.

Existing law requires the Office of Planning and Research to contract with entities with expertise in managing data for specified purposes relating to the workgroup's activities. Existing law requires those contracted entities to submit reports to the Department of Finance and the Legislature concerning the establishment of the California Cradle-to-Career Data System, as specified.

This bill would establish the Cradle-to-Career Data System for the purpose of connecting individuals and organizations to trusted information and resources, as a source for actionable data and research on education, economic, and health outcomes for individuals, families, and communities, and to provide for expanded access to tools and services that support the education-to-employment pipeline, as specified.

The bill would establish the California Cradle-to-Career Data System Governing Board in state government, composed of certain representatives from state agencies, educational organizations, and members of the public, who would, among other things, be responsible for strategic direction and implementation of the data system, including ensuring that the data system is serving its intended purposes. The bill would establish the Data and Tools Advisory Board and the Community Engagement Advisory Board to perform certain tasks and make recommendations to the governing board, as specified.

The bill would require the governing board to also provide operational oversight of the Office of Cradle-to-Career Data that the bill would establish within the Government Operations Agency under the direction of the Department of General Services to serve as the managing entity of the data system, as provided.

The bill would authorize information to be provided to the data system by local educational agencies with respect to operational tools, as defined, the Committee for the Protection of Human Subjects for the California Health and Human Services Agency, the Commission on Teacher Credentialing, the State Department of Education, and the California College Guidance Initiative with respect to longitudinal pupil achievement data, the Student Aid Commission with respect to grade point average and other data, the Bureau for Private Postsecondary Education, and the Employment Development Department.

The bill would authorize the Director of Finance to transfer \$2,452,000 from a designated item of the Budget Act of 2021 to the State Department of Education, the California Community Colleges, the California State University, the University of California, the Student Aid Commission, and

the Employment Development Department, as scheduled, therefore making an appropriation.

The bill would also include numerous conforming changes.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(2) Existing law establishes a system of public elementary and secondary education in this state. Under this system, local educational agencies throughout the state provide instruction and other services to pupils in kindergarten and grades 1 to 12, inclusive. Pupils who seek to continue their education in postsecondary educational institutions, and who wish to apply for financial aid, are generally required to apply for this aid through certain standardized forms, which, for most pupils, include the Free Application for Federal Student Aid and, for certain pupils, include the California Dream Act application.

This bill would require a school district, county office of education, or charter school to ensure that a grade 12 pupil who has not opted out, as specified, completes and submits a Free Application for Federal Student Aid or, if the pupil is exempt from paying nonresident tuition under existing law, completes and submits a form for purposes of the California Dream Act. The bill would require the Student Aid Commission, on or before July 1, 2022, to adopt regulations that include model opt-out forms and acceptable use policies for the purpose of providing guidance with applicable state laws. The bill would require the school district, county office of education, or charter school to exempt a pupil or the pupil's parent or legal guardian from completing a form if the local educational agency determines the pupil is unable to complete the form, and would prohibit a pupil's ability to graduate from being affected by a pupil's failure to fill out a form. By imposing additional duties on local educational agencies, the bill would impose a state-mandated local program.

(3) Existing law establishes the University of California, under the administration of the Regents of the University of California, as a segment of public postsecondary education in this state.

Existing law authorizes a state court, in any action in which that court finds that any of certain student financial aid or other specified programs, or any similar program adopted by the regents, is unlawful, to order the administering entity that is the subject of the lawsuit to terminate any waiver awarded under that statute or action as equitable relief. This provision also prohibits the award of money damages, a tuition refund or waiver, or other retroactive relief, and provides that the segments of public postsecondary education, including the University of California, are immune from the imposition of any award of money damages, tuition refund or waiver, or other retroactive relief in a lawsuit.

Existing law, until June 30, 2021, authorizes the University of California to provide a scholarship as established by the university or a campus of the

university, derived from nonstate funds received for that purpose, to any of its enrolled students who meet the eligibility requirements for that scholarship. Existing law, until June 30, 2021, includes this scholarship authorization as a program covered by the above-described law relating to relief available in state court actions.

This bill would extend those end dates by 2 years, thereby making those scholarship provisions operative until June 30, 2023.

(4) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the 3 segments of public postsecondary education in this state. Existing law establishes community college districts throughout the state, and authorizes them to provide instruction to students at community college campuses.

This bill would require each campus of the California Community Colleges, no later than July 1, 2022, to establish the position of Basic Needs Coordinator and designate a staff person as the Basic Needs Coordinator. The bill would require a basic needs coordinator to act as a broker in identifying, supporting, and linking students to on- and off-campus housing, food, mental health, and other basic needs services and resources, among other responsibilities. The bill would also require each campus, no later than July 1, 2022, to establish a Basic Needs Center, which would be a central location on campus where basic needs services, resources, and staff would be made available to students, as specified. The bill would require each Basic Needs Center, among other duties, to help students to have the information needed to enroll in CalFresh and other relevant government benefit programs.

This bill would further require each campus, no later than February 1, 2022, to develop a document to be made available to students online that clearly lists all on- and off-campus basic needs services and resources, as specified. The bill would require each campus to provide the document to students as a part of campus orientations in either electronic format or paper form, and to provide to faculty, and encourage the faculty to include in their syllabi, the online link to the electronic format of the document, the location of the Basic Needs Center once established, and the contact information for the coordinator once designated. The bill would also require each campus, no later than February 1, 2022, to streamline the application and intake process for on-campus basic needs services and resources, to develop and implement a plan to identify and provide outreach to students who have basic needs insecurity, and to develop a student basic needs tab that is clearly visible and easily accessible from a drop-down menu on the home page of the internet website of the campus, as specified.

This bill would require each community college campus to report specified information to the office of the Chancellor of the California Community Colleges, and would require the office to develop and submit to the Governor and the Legislature every year beginning on or before May 1, 2023, a report based on the data and information reported by campuses under the bill and information on the use of funds made available to implement the

requirements of the bill. Because the paragraph would impose new duties on community college districts, it would constitute a state-mandated local program.

(5) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, the California State University, under the administration of the Trustees of the California State University, and the University of California, under the administration of the Regents of the University of California, as the 3 segments of public postsecondary education in the state. Existing law requires the trustees, and requests the regents, to establish a dual admissions program for eligible freshman applicants, authorizing a guarantee of admission to a campus of the California State University or University of California contingent on successful completion of lower-division transfer requirements at a campus of the California Community Colleges, as specified. Existing law provides that the agreement shall include specified incentives, and that student participation in the dual admissions program is voluntary.

This bill instead, commencing with the 2023–24 academic year, until the 2026–27 academic year, would require the trustees and the regents to offer for first-time freshman applicants meeting certain criteria a dual admissions program, and would authorize eligible first-time freshman applicants to enter into a dual admissions agreement with the California State University or University of California that guarantees the student’s admission to a specific campus of the segment selected by the student at the time of the agreement if the student completes transfer requirements, which may include completion of an associate degree for transfer, within 2 academic years at a California Community College. These requirements would apply to the University of California only if the regents adopt a resolution to make them applicable.

(6) The Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program provides grant funding for California postsecondary students. Existing law specifies the amounts of the maximum Cal Grant A and B awards for students attending independent institutions of higher education. Existing law authorizes community colleges to award an associate degree for transfer, and provides that the amount of Cal Grant A and B tuition awards for future years for students at independent institutions of higher education depends on the number of commitments those institutions make to accept associate degrees for transfer. Specifically, beginning with the 2021–22 award year, the maximum tuition award is either \$9,084 or \$8,056, depending upon whether the number of new unduplicated transfer students accepted by those institutions who have been given associate degree for transfer commitments in the prior award year exceeds statutory targets.

This bill would fix the 2021–22 award year amount for a new recipient at an independent institution of higher education at \$9,220. The bill would, for the 2022–23 award year and beyond, set the maximum tuition award amount as either \$9,220 or \$8,056, conditioned on the achievement of the target numbers for associate degree for transfer commitments that apply in

existing law for the prior award year, thereby delaying for one year the applicable targets.

(7) Under existing law, the Student Aid Commission administers the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, among other duties. The Cal Grant Program comprises the Cal Grant A and B Entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards. Existing law establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions, as defined. Under the program, a Cal Grant student's financial need is determined to establish a student's initial eligibility for a Cal Grant award and a renewing recipient's continued eligibility using the federal financial need methodology established under Title IV of the federal Higher Education Act of 1965.

This bill would require that, for the 2020–21 and 2021–22 award years, a student with an initial or renewal Cal Grant A award impacted by a change in the student's living status due to the COVID-19 pandemic have the student's eligibility for an initial or renewal Cal Grant A award calculated based on what it would have been had the change in the student's living status due to the COVID-19 pandemic not occurred.

This bill would establish a California Community College Expanded Entitlement Award for students who were not awarded a Cal Grant A or B award at the time of the student's high school graduation but who will be enrolled at a California community college during the award year and who meet all of the criteria, as specified.

Under existing law, no more than a total of 41,000 Competitive Cal Grant A and B awards may be granted annually. Existing law additionally requires 50% of the awards be available to all students, including California community college students, and 50% of the awards be reserved for students who will be enrolled at a California community college.

This bill would reduce the total number of Competitive Cal Grant A and B awards that may be granted annually to 13,000 and would make all of the Competitive Cal Grant A and B awards available to students who will be enrolled at an institution other than a California community college.

Existing law, commencing with the 2019–20 academic year, provides an additional award, as specified, to Cal Grant A and B Entitlement, Competitive Cal Grant A and B, and Cal Grant C recipients who are attending a public postsecondary educational institution and have dependent children, as defined. Under existing law, the amount appropriated in the annual Budget Act, and any other appropriation for these purposes, shall not exceed \$125,000,000.

This bill would increase the amount that can be appropriated for these purposes to \$250,000,000.

Commencing with the 2021–22 academic year, this bill would provide an additional award, as specified, to Cal Grant A and B Entitlement, Competitive Cal Grant A and B, and Cal Grant C recipients who are foster

youth or former foster youth, as defined, attending a public postsecondary educational institution.

(8) Existing law establishes the Golden State Teacher Grant Program under the administration of the Student Aid Commission to provide a grant to each student enrolled in an approved teacher credentialing program within an accredited California institution of higher education who commits to working in a high-need field, as defined, at a priority school for 4 years after the student receives a preliminary teaching credential. Existing law makes funds appropriated for the program in the Budget Act of 2020 available for encumbrance or expenditures by the commission until June 30, 2023. Existing law requires the Commission on Teacher Credentialing to publish a list of priority schools by January 1 of each year for which money has been appropriated to support grants under the program. Existing law defines a priority school as a school with a high percentage of teachers holding emergency-type permits over the last 3 years.

This bill instead would require the Student Aid Commission, in coordination with the State Department of Education, to publish the list of priority schools and would make funds appropriated for the program in the Budget Acts of 2020 and 2021 available for encumbrance or expenditure until June 30, 2024. The bill would redefine a priority school under the program to mean a school with at least 55% of its pupils being unduplicated pupils, as defined. The bill would delete the requirement for the professional preparation program to be within an accredited California institution of higher education and would add transitional kindergarten to the definition of a high-need field.

(9) Existing law establishes the California State Work-Study Program under the administration of the Student Aid Commission to provide University of California, California State University, and California Community College students meeting certain criteria with the opportunity to earn money to help defray their educational costs, while gaining experience in educationally beneficial or career-related employment. Existing law includes out-of-state employers licensed to conduct business in their home state, subject to prior approval of the commission, among the eligible entities to employ participating students under the program.

This bill would revise and recast various provisions of the California State Work-Study Program. Among these changes, the bill would: (A) rename the program as the Learning-Aligned Employment Program, (B) have the commission administer the Learning-Aligned Employment Program in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges, (C) remove those out-of-state employers from the eligible entities that may employ participating students under the program, (D) limit eligibility to participate in the program to eligible students from underrepresented backgrounds, (E) require participating campuses to prioritize for available learning-aligned employment positions under the program eligible students who are first generation college students, current or former foster youth, homeless, or at

risk of being homeless, and (F) require participating campuses to further prioritize these eligible students who are also majoring in a science, technology, engineering, or mathematics discipline.

(10) Existing law establishes the Golden State Scholarshare College Savings Trust under the administration of the Scholarshare Investment Board. Existing law establishes the California Kids Investment and Development Savings (KIDS) Program, under the administration of the board, for the purposes of expanding access to higher education through savings. Existing law establishes the California Kids Investment and Development Savings Program Fund in the State Treasury to serve as the initial repository of all moneys received from state and private sources for the KIDS Program, and continuously appropriates moneys in the fund to the board for the KIDS Program. Subject to available moneys in the fund, existing law requires the board to establish one or more Scholarshare 529 accounts and make a seed deposit of moneys from the fund into a Scholarshare 529 account established under the KIDS Program in an amount of at least \$25, as determined by the board. Specifically, those moneys are deposited in subaccounts, called KIDS Accounts, one designated for each California resident child born on or after July 1, 2020, who is a California resident at the time of birth, except for children whose parents or legal guardians have opted out, as specified. Existing law requires the board to provide awards from these KIDS Accounts, as specified, for each recipient child's qualified higher education expenses at an eligible institution of higher education. Existing law authorizes the board to periodically inform a child's parent or legal guardian of the balance of their KIDS Account, including earnings designated for the child.

This bill would make programmatic changes to the KIDS Program, including authorizing the board to establish child savings plans other than Scholarshare 529 accounts for participating children. The bill would instead require moneys to be deposited in KIDS Accounts, one designated for each California resident child born on or after a date to be determined by the board that is no later than July 1, 2022. The bill would instead require the board to establish rules and regulations for notifying a KIDS Account recipient child and the child's parents or legal guardians of the moneys deposited and accrued in the child's KIDS Account, and rules and regulations regarding the establishment and operation of program components, as specified. The bill would establish KIDS Accounts for all unduplicated pupils in the 2021–22 fiscal year, and for unduplicated pupils who are entering first grade commencing with the 2022–23 fiscal year, if one has not already been established for them under the KIDS Program. The bill would allocate \$500 into each new and existing KIDS Account of an unduplicated pupil, an additional \$500 into the KIDS Accounts of those unduplicated pupils who are also foster youth, and an additional \$500 into the KIDS Accounts of those unduplicated pupils who are also homeless pupils.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public

officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(11) Under existing law, the Middle Class Scholarship Program, an undergraduate student enrolled at the University of California or the California State University, or enrolled in upper division coursework in a community college baccalaureate program, and meeting certain requirements, is eligible for a scholarship award that, combined with other federal, state, and institutionally administered grants and fee waivers, totals up to 40% of the systemwide tuition and fees.

Existing law, upon order of the Director of Finance, transfers \$117,000,000 from the General Fund to the Middle Class Scholarship Fund for the 2019–20 fiscal year and each fiscal year thereafter, and appropriates that sum to the Student Aid Commission for purposes of the scholarship program.

This bill would revise provisions of the Middle Class Scholarship Program. Among the changes, the bill would provide, commencing with the 2022–23 academic year, an eligible student with a scholarship award in an amount that equals the difference between the student’s cost of attendance, as determined by the commission, and the sum of contributions from sources, including federal, state, and institutionally administered student scholarships, grants, or fee waivers, to fund the student’s cost of attendance. The bill would decrease the appropriations of \$117,000,000 for the 2019–20 fiscal year to \$116,557,000 and for the 2020–21 fiscal year to \$116,956,000, and would set the appropriation for the 2021–22 fiscal year and each fiscal year thereafter at \$117,000,000.

(12) Existing law authorizes community college districts to charge students a fee of \$46 per unit per semester, and also authorizes the waiver of this fee for students who meet specified criteria.

This bill would authorize a community college district to use available emergency relief funds provided by the federal government to waive this fee, if it is unpaid by a student due to the impacts of the COVID-19 pandemic, as specified.

(13) The Zero-Textbook-Cost Degree Grant Program requires the Chancellor of the California Community Colleges to distribute grants to community college districts that meet specified criteria for developing and implementing associate degrees and career technical education certificate programs earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies.

Existing law requires a community college district, as a condition of receiving funding appropriated in the annual Budget Act, to develop and implement zero-textbook-cost degrees, among other things, to strive to implement zero-textbook-cost degrees by the first term of the 2018–19 academic year, or sooner, as determined by the office of the Chancellor of the California Community Colleges. Existing law requires the chancellor to report, by June 30, 2019, to the Legislature, the Legislative Analyst’s Office, and the Department of Finance specified information on the

development and implementation of zero-textbook-cost degrees pursuant to the program, including the estimated annual savings to students. Existing law authorizes funds not awarded in the 2016–17 fiscal year in the annual Budget Act for the program to be awarded in the 2017–18 fiscal year. Existing law requires the chancellor’s office to award an initial round of grants no later than January 1, 2017.

This bill, among other things, would require a community college district, as a condition of receiving funding, to strive to implement zero-textbook-cost degrees within 3 academic years of receiving funding. Of the funding appropriated in the annual Budget Act, the bill would authorize the chancellor to distribute grants to a community college district for the development and curation of open educational resources for coursework. As a condition of receiving funding for the development and curation of open educational resources for coursework, the bill would require a community college district to comply with certain requirements, including to strive to complete development and curation of open educational resources within 2 academic years of receiving funding. The bill would require the chancellor to report, by June 30, 2027, to the Legislature, the Legislative Analyst’s Office, and the Department of Finance specified information on the development and implementation of zero-textbook-cost degrees and the development and curation of open educational resources pursuant to the program, including the estimated annual savings to colleges. The bill would authorize funds not awarded in a fiscal year for which funds are appropriated to be awarded in the following fiscal year, and would require the chancellor to award an initial round of grants no later than January 1 of a fiscal year for which funds are appropriated.

This bill would appropriate \$115,000,000 from the General Fund to the Board of Governors of the California Community Colleges to provide grants to community college districts to develop zero-textbook-cost degrees using open educational resources pursuant to the Zero-Textbook-Cost Degree Grant Program.

(14) Existing law establishes the Student Aid Commission to administer various state-funded student financial aid programs.

This bill would establish the Golden State Education and Training Grant Program Act, to be administered by the Student Aid Commission. The bill would make available one-time grants to California resident workers who have been displaced from their employment due to the COVID-19 pandemic, are not already accessing an educational or training program, can demonstrate financial need, as specified, and agree to use the grant funds to access an educational or qualified training program at a public postsecondary educational institution, as specified, or to obtain training from an eligible training provider.

The bill would specify the duties of the commission in setting grant award amounts and establishing priorities and procedures for the award of grants to applicants. The bill would require the commission to collaborate with participating institutions of higher education to facilitate the offering of grant opportunities at campuses. The bill would require the commission to

report designated information about the grant program to the Legislature and the Governor no later than December 31, 2023. The bill would declare that undocumented persons are eligible to receive these grants.

To the extent that this paragraph would impose new duties on community college districts, it would constitute a state-mandated local program.

(15) Existing law requires the Board of Governors of the California Community Colleges to adopt regulations providing for the payment of apportionments to community college districts on a specified schedule. Existing law, notwithstanding the provisions referenced above, adjusts the payment of apportionments to community college districts commencing with the 2020–21 fiscal year to defer \$1,453,243,000 of those payments to the subsequent fiscal year in accordance with a designated schedule.

This bill would limit the deferral of the payment of \$1,453,243,000 of apportionments to community college districts to only the 2020–21 fiscal year, and would revise the schedule of payments.

(16) Existing law provides for a formula for the calculation of general purpose apportionments of state funds to community colleges. Existing law provides for base allocations of state funds to be made to community college districts on a full-time equivalent student basis, in amounts differing according to fiscal year, and specified for certain community college districts. Existing law provides specified cost-of-living adjustments to the amounts calculated described above. Existing law requires, for the 2018–19 to 2023–24, inclusive, fiscal years, each community college district with a specified increase in 2017–18 general purpose apportionment funding when computed pursuant to an existing law that is less than the year-over-year cost-of-living adjustments applicable to those fiscal years to receive discretionary resources in an amount needed to ensure that the community college district receives no less than its 2017–18 general purpose apportionment funding computed pursuant to the existing law adjusted for annual year-over-year cost-of-living adjustments.

This bill would extend, until the 2024–25 fiscal year, application of the above provision providing discretionary resources based on a community college district’s 2017–18 general purpose apportionment funding, thereby extending application of the provision by one year.

(17) Existing law authorizes the governing board of a community college district to enter into a College and Career Access Pathways partnership with the governing board of a school district with the goal of developing seamless pathways from high school to community college for career technical education or preparation for transfer, improving high school graduation rates, or helping high school pupils achieve college and career readiness.

This bill would, upon appropriation in the annual Budget Act or other statute, require allocation of funds by the office of the Chancellor of the California Community Colleges to community college districts for the purpose of expanding pathways to law school programs. The bill would authorize the board of governors to contract with a third party entity to provide administrative support for the expansion of these pathways.

(18) Existing law requires the Legislative Analyst's Office to submit a report to the Legislature detailing the impact of policy changes required pursuant to the California State University Executive Order No. 1110 relative to incoming California State University freshmen identified as in need of remediation. Under existing law, the report is due by December 1, 2021, but the law requiring the report becomes inoperative on July 1, 2021, 5 months earlier.

This bill would instead repeal these provisions, which would take effect immediately.

(19) Existing law requires that funding provided to the California State University in the annual budget act to provide summer term financial aid to any student who is eligible for state financial aid and who is a California resident, as specified, be suspended on December 31, 2021, unless estimates accompanying the May Revision to the 2021–22 Governor's Budget reflect excess state General Fund revenues for the 2021–22 and 2022–23 fiscal years, as specified.

This bill would repeal the provision that would conditionally suspend that California State University summer term financial aid funding on December 31, 2021.

(20) Existing law requires funding provided to the University of California in the annual Budget Act for summer term financial aid to any student who is eligible for state financial aid and who is a California resident to be suspended on December 31, 2021, unless a specified condition is satisfied relating to estimated General Fund revenues and expenditures for the 2021–22 and 2022–23 fiscal years.

This bill would repeal the conditional suspension of the funding provided to the university in the annual Budget Act for summer term financial aid to any student who is eligible for state financial aid and who is a California resident.

(21) This bill would enact the Animal Shelter Assistance Act. The bill would express the intent of the Legislature that the regents establish a 5-year program, known as the Animal Shelter Assistance Program, to support the state's policy goal that no adoptable or treatable animal is euthanized by providing grants to government animal control agencies or shelters, societies for the prevention of cruelty to animals, and humane societies, as specified. The bill would request the regents to establish the program in accordance with specified principles and goals, to be administered by the University of California, Davis, Koret Shelter Medicine Program.

(22) This bill would require the University of California to annually report, as specified, to the Department of Finance and the budget committees of the Legislature its share of undergraduate enrollment that is nonresident by campus, as specified, and a fiscal estimate of the projected cost to make progress on reducing the share of nonresident students and increasing the share of resident students at campuses of the university, as provided.

(23) This bill would establish the California Bench to School Initiative to create the California Institute on Law, Neuroscience, and Education to promote a collaborative focus on neuroscience, law, education, and social

justice to improve literacy outcomes in school settings for youth. The institute would include the Memory and Aging Center of UCSF, the UCSF/UC Hastings Consortium on Law, Science, and Health Policy, and the UC/CSU California Collaborative for Neurodiversity and Learning.

The bill would specify the duties to be performed by the institute, including the submission of an annual report to the Legislature on specified topics. The bill would require UCSF, UC Hastings College of the Law, and the UC/CSU California Collaborative for Neurodiversity and Learning, upon receiving funding under the bill, to each appoint one member from their respective institutions to a management committee charged with the development and oversight of the initiative, as specified. The bill would provide for the establishment of an advisory board, with designated membership, to serve as an oversight body for the initiative in order to monitor progress and provide leadership from the perspectives of their respective institutions, organizations, agencies, and groups, and to facilitate collaboration among researchers, practitioners, administrators, legislators, and community stakeholders.

(24) Existing law requires the Office of Emergency Services, in coordination with all interested state agencies with designated response roles in the state emergency plan and interested local emergency management agencies, to jointly establish by regulation a standardized emergency management system for use by all emergency response agencies, and to include specified components. Existing law requires the office to approve, adopt, and incorporate the California Animal Response Emergency System (CARES) program developed under the oversight of the Department of Food and Agriculture into the standardized emergency management system.

This bill would require the University of California, Davis, School of Veterinary Medicine to develop a program called the California Veterinary Emergency Team, and would require the program to assist in the support and training of a network of government agencies, nongovernmental organizations, and individuals to assist in the evacuation and care of household and domestic animals and livestock in emergencies statewide, including disaster preparedness, response, recovery, and mitigation. The bill would also require the program to conduct or support research on best practices for the evacuation and care of the animals in disasters. The bill would require the university, the Secretary of Food and Agriculture, and the Director of Emergency Services to develop a memorandum of understanding for the university to consult with the secretary and the director regarding the coordination of the program's activities with the state government's disaster response practices and the deployment of the program's participants during disasters. The bill would require these provisions to apply to the university only to the extent that the Regents of the University of California, by resolution, make any of these provisions applicable to the university.

(25) Existing law requires the California State Library, on or before July 1, 2020, to create a funding opportunities internet web portal that provides a centralized location for grant seekers to find state grant opportunities.

Existing law require each state agency, on or before July 1, 2020, to register every grant the state agency administers with the California State Library before commencing a solicitation or award process for distribution of the grant. Existing law requires each state agency, on or before July 1, 2020, to provide for the acceptance of electronic applications for any grant administered by the state agency, as appropriate. Existing law requires the California State Library to create an annual report to the Legislature relating to the effectiveness of the internet web portal, as specified.

This bill would require every state agency to provide the California State Library for every grant administered by the state agency postaward data, as specified.

(26) Existing provisions of the Local Agency Public Construction Act govern contracting by community college districts. Existing law authorizes the Chancellor of the California Community Colleges to enter into a contract or other agreement with the governing board of any community college district whereby the district performs services or acts as a fiscal agent on behalf of the California Community Colleges, if the funds for the contract or agreement are in satisfaction of the state obligation to provide funding under Section 8 of Article XVI of the California Constitution, which sets forth a formula for computing the minimum amount of General Fund revenues that the state is required to appropriate for the support of school districts and community college districts for each fiscal year.

Existing law, until July 1, 2022, exempts the chancellor from the requirement to advertise for or invite bids for those contracts or other agreements that are no more than \$20,000,000. Existing law, until July 1, 2022, also exempts from that requirement the renewal of existing contracts or other agreements that the chancellor has entered into with a governing board, regardless of the amount.

This bill would extend those end dates by one year, thereby making the exemptions operative until July 1, 2023.

(27) The Budget Act of 2020 made appropriations for the support of state government for the 2020–21 fiscal year.

This bill would amend the Budget Act of 2020 by reducing certain appropriations for local assistance to the Board of Governors of the California Community Colleges, as provided, and increasing certain appropriations for local assistance to the Student Aid Commission, as specified.

(28) This bill would appropriate \$511,014,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to address specified purposes, including scheduled maintenance and special repairs of facilities, at community colleges.

(29) Existing law establishes the California Community College Guided Pathways Grant Program under the administration of the office of the Chancellor of the California Community Colleges and requires the chancellor's office to distribute grants, upon appropriation by the Legislature, to community colleges that meet certain requirements, to integrate existing

student-success programs and develop clearly structured, coherent guided pathways programs.

This bill would appropriate \$50,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support the continued implementation of guided pathways programs pursuant to the California Community College Guided Pathways Grant Program.

(30) This bill would appropriate \$100,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community colleges to support efforts to increase student retention rates and enrollment by primarily engaging former community college students who may have withdrawn from a community college due to the impacts of the COVID-19 pandemic, current community college students who may be hesitant to remain in a community college due to the impacts of the COVID-19 pandemic, and prospective students who may be hesitant to enroll in a community college due to the impacts of the COVID-19 pandemic. The bill would authorize a community college to use allocated funds to provide a fiscal incentive for students who have withdrawn to reenroll, and for prospective students to enroll, at the college.

(31) This bill would appropriate \$100,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support students in addressing food insecurity, food pantries serving students, enrollment in the Supplemental Nutrition Assistance Program, known in California as CalFresh, or other means of directly providing nutrition assistance to students.

(32) This bill would appropriate \$20,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support the implementation of best practices for success in promoting equal employment opportunity and faculty and staff diversity at California community colleges, as specified.

(33) Existing law establishes the California Workforce Development Board, and assigns to the board the responsibility for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system and the alignment of the education and workforce investment systems to the needs of the 21st century economy and workforce.

This bill would appropriate \$20,000,000 from the General Fund to the Board of Governors of the California Community Colleges to strengthen the alignment of California community colleges with workforce initiatives administered by the California Workforce Development Board.

(34) This bill would appropriate \$20,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to one or more community college districts to support a systemwide effort to, or as grants to community college districts to support district efforts to, provide culturally competent professional development for community

college faculty, including leveraging 21st century technology to improve learning outcomes.

(35) This bill would appropriate \$10,000,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation by the office of the Chancellor of the California Community Colleges to community college districts to provide additional funds to support lesbian, gay, bisexual, transgender, queer, and plus students at community colleges.

(36) This bill would appropriate \$72,852,000 from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts and community colleges for various specified purposes.

(37) Certain funds appropriated under this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(38) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(39) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

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

SECTION 1. Section 1798.24 of the Civil Code is amended to read:

1798.24. An agency shall not disclose any personal information in a manner that would link the information disclosed to the individual to whom it pertains unless the information is disclosed, as follows:

(a) To the individual to whom the information pertains.

(b) With the prior written voluntary consent of the individual to whom the information pertains, but only if that consent has been obtained not more than 30 days before the disclosure, or in the time limit agreed to by the individual in the written consent.

(c) To the duly appointed guardian or conservator of the individual or a person representing the individual if it can be proven with reasonable certainty through the possession of agency forms, documents, or correspondence that this person is the authorized representative of the individual to whom the information pertains.

(d) To those officers, employees, attorneys, agents, or volunteers of the agency that has custody of the information if the disclosure is relevant and necessary in the ordinary course of the performance of their official duties and is related to the purpose for which the information was acquired.

(e) To a person, or to another agency if the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is in accordance with Section 1798.25. With respect to information transferred from a law enforcement or regulatory agency, or information transferred to another law enforcement or regulatory agency, a use is compatible if the use of the information requested is needed in an investigation of unlawful activity under the jurisdiction of the requesting agency or for licensing, certification, or regulatory purposes by that agency.

(f) To a governmental entity if required by state or federal law.

(g) Pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

(h) To a person who has provided the agency with advance, adequate written assurance that the information will be used solely for statistical research or reporting purposes, but only if the information to be disclosed is in a form that will not identify any individual.

(i) Pursuant to a determination by the agency that maintains information that compelling circumstances exist that affect the health or safety of an individual, if upon the disclosure notification is transmitted to the individual to whom the information pertains at the individual's last known address. Disclosure shall not be made if it is in conflict with other state or federal laws.

(j) To the State Archives as a record that has sufficient historical or other value to warrant its continued preservation by the California state government, or for evaluation by the Director of General Services or the director's designee to determine whether the record has further administrative, legal, or fiscal value.

(k) To any person pursuant to a subpoena, court order, or other compulsory legal process if, before the disclosure, the agency reasonably attempts to notify the individual to whom the record pertains, and if the notification is not prohibited by law.

(l) To any person pursuant to a search warrant.

(m) Pursuant to Article 3 (commencing with Section 1800) of Chapter 1 of Division 2 of the Vehicle Code.

(n) For the sole purpose of verifying and paying government health care service claims made pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

(o) To a law enforcement or regulatory agency when required for an investigation of unlawful activity or for licensing, certification, or regulatory purposes, unless the disclosure is otherwise prohibited by law.

(p) To another person or governmental organization to the extent necessary to obtain information from the person or governmental organization for an investigation by the agency of a failure to comply with a specific state law that the agency is responsible for enforcing.

(q) To an adopted person and disclosure is limited to general background information pertaining to the adopted person's biological parents, if the information does not include or reveal the identity of the biological parents.

(r) To a child or a grandchild of an adopted person and disclosure is limited to medically necessary information pertaining to the adopted person's biological parents. However, the information, or the process for obtaining the information, shall not include or reveal the identity of the biological parents. The State Department of Social Services shall adopt regulations governing the release of information pursuant to this subdivision. The regulations shall require licensed adoption agencies to provide the same services provided by the department as established by this subdivision.

(s) To a committee of the Legislature or to a Member of the Legislature, or the member's staff if authorized in writing by the member, if the member has permission to obtain the information from the individual to whom it pertains or if the member provides reasonable assurance that the member is acting on behalf of the individual.

(t) (1) To the University of California, a nonprofit educational institution, the Cradle-to-Career Data System, for purposes consistent with the creation and execution of the Cradle-to-Career Data System Act pursuant to Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of Division 1 of Title 1 of the Education Code, or, in the case of education-related data, another nonprofit entity, conducting scientific research, if the request for information is approved by the Committee for the Protection of Human Subjects (CPHS) for the California Health and Human Services Agency (CHHSA) or an institutional review board, as authorized in paragraphs (5) and (6). The approval shall include a review and determination that all the following criteria have been satisfied:

(A) The researcher has provided a plan sufficient to protect personal information from improper use and disclosures, including sufficient administrative, physical, and technical safeguards to protect personal information from reasonable anticipated threats to the security or confidentiality of the information.

(B) The researcher has provided a sufficient plan to destroy or return all personal information as soon as it is no longer needed for the research project, unless the researcher has demonstrated an ongoing need for the personal information for the research project and has provided a long-term plan sufficient to protect the confidentiality of that information.

(C) The researcher has provided sufficient written assurances that the personal information will not be reused or disclosed to any other person or entity, or used in any manner, not approved in the research protocol, except as required by law or for authorized oversight of the research project.

(2) The CPHS shall enter into a written agreement with the Office of Cradle-to-Career Data, as defined in Section 10862 of the Education Code, to assist the managing entity of that office in its role as the institutional review board for the Cradle-to-Career Data System.

(3) The CPHS or institutional review board shall, at a minimum, accomplish all of the following as part of its review and approval of the

research project for the purpose of protecting personal information held in agency databases:

(A) Determine whether the requested personal information is needed to conduct the research.

(B) Permit access to personal information only if it is needed for the research project.

(C) Permit access only to the minimum necessary personal information needed for the research project.

(D) Require the assignment of unique subject codes that are not derived from personal information in lieu of social security numbers if the research can still be conducted without social security numbers.

(E) If feasible, and if cost, time, and technical expertise permit, require the agency to conduct a portion of the data processing for the researcher to minimize the release of personal information.

(4) Reasonable costs to the agency associated with the agency's process of protecting personal information under the conditions of CPHS approval may be billed to the researcher, including, but not limited to, the agency's costs for conducting a portion of the data processing for the researcher, removing personal information, encrypting or otherwise securing personal information, or assigning subject codes.

(5) The CPHS may enter into written agreements to enable other institutional review boards to provide the data security approvals required by this subdivision, if the data security requirements set forth in this subdivision are satisfied.

(6) Pursuant to paragraph (5), the CPHS shall enter into a written agreement with the institutional review board established pursuant to former Section 49079.6 of the Education Code. The agreement shall authorize, commencing July 1, 2010, or the date upon which the written agreement is executed, whichever is later, that board to provide the data security approvals required by this subdivision, if the data security requirements set forth in this subdivision and the act specified in subdivision (a) of Section 49079.5 of the Education Code are satisfied.

(u) To an insurer if authorized by Chapter 5 (commencing with Section 10900) of Division 4 of the Vehicle Code.

(v) Pursuant to Section 450, 452, 8009, or 18396 of the Financial Code.

(w) For the sole purpose of participation in interstate data sharing of prescription drug monitoring program information pursuant to the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code), if disclosure is limited to prescription drug monitoring program information.

This article does not require the disclosure of personal information to the individual to whom the information pertains if that information may otherwise be withheld as set forth in Section 1798.40.

SEC. 2. The heading of Article 1 (commencing with Section 10850) is added to Chapter 8.5 of Part 7 of Division 1 of Title 1 of the Education Code, to read:

Article 1. Cradle-to-Career Data System Workgroup

SEC. 3. Section 10851 of the Education Code is amended to read:

10851. For purposes of this article, the following definitions apply:

(a) “Data system” means statewide data infrastructure that integrates data from various partner entities and supports the purposes identified in this article.

(b) “Director” means the Director of State Planning and Research, or the director’s designee.

(c) “Partner entity” means an organization that can provide information to the data system to advance the purposes identified in this article and includes, but is not limited to, state entities responsible for elementary and secondary education data, entities responsible for early learning data and care, segments of public higher education, private colleges and universities, state entities responsible for overseeing private colleges, student financial aid, childcare providers, state labor and workforce development agencies, and state departments administering health and human services programs.

(d) “Planning facilitator” means an entity with expertise in data governance, privacy, security, quality, reporting, and user-centered design.

(e) “Workgroup” means the California Cradle-to-Career Data System Workgroup established pursuant to Section 10853.

SEC. 4. Section 10852 of the Education Code is amended to read:

10852. It is the intent of the Legislature in enacting this article to do all of the following:

(a) Build a data system to enable partner entities to share information in a manner that promotes data privacy and security.

(b) Design a data system that minimizes the need for new infrastructure, is adaptable, and is flexible to meet future needs.

(c) Serve students and families by doing all of the following:

(1) Identifying and tracking predictive indicators to enable parents, teachers, health and human services providers, and policymakers to provide appropriate interventions and supports to address disparities in opportunities and improve outcomes for all students.

(2) Creating direct support tools for teachers, parents, advisors, and students.

(3) Enabling agencies to plan for and optimize educational, workforce, and health and human services programs.

(4) Enabling and streamlining the administration of student financial aid.

(5) Advancing academic and governmental research on improving policies from birth through career.

(d) Improve the quality and reliability of data reported, and ensure consistency of key data definitions.

(e) Identify additional data points and metrics that can be developed and integrated into the data system to support the goals of this article.

SEC. 5. Section 10855 of the Education Code is amended to read:

10855. (a) The director shall lead the workgroup.

(b) The Office of Planning and Research shall contract with planning facilitators to perform all of the following duties:

- (1) Provide facilitation and staff support to the workgroup.
- (2) Conduct research and gather relevant information for consideration by the workgroup in fulfilling its responsibilities pursuant to paragraph (1) of subdivision (a) of Section 10853.
- (3) Produce the reports required pursuant to Sections 10856 and 10857.
- (4) Support the partner entities in advancing the purposes of this article, including, but not limited to, by assisting the partner entities to complete the activities specified in Section 10858.

(c) For purposes of subdivision (b), the Office of Planning and Research may enter into exclusive or nonexclusive contracts with planning facilitators on a bid or negotiated basis. A contract entered into or amended pursuant to subdivision (b) shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.

(d) Notwithstanding any other law, a planning facilitator may subcontract as necessary in the performance of its duties, subject to approval of the director.

(e) The Office of Planning and Research shall report to the Department of Finance and relevant subcommittees of the Legislature on awarded contracts described in this section within 30 days of awarding any contract. The report shall include information about funding amounts provided to contractors and subcontractors.

(f) (1) A planning facilitator that contracts with the Office of Planning and Research pursuant to subdivision (b) shall, in consultation with the director, convene one or more advisory groups to obtain additional input from potential end users of the data system and other interested stakeholders and to inform the planning facilitator's work in fulfilling its responsibilities pursuant to subdivision (b).

(2) At a minimum, the advisory groups convened pursuant to paragraph (1) shall be comprised of representatives of students, parents, labor, business and industry, equity and social justice organizations, researchers, privacy experts, early education experts, school districts, charter schools, and county offices of education, as selected by the director within 60 days of contracting with the planning facilitator.

(3) In selecting the membership of the advisory groups, the director is encouraged to seek representation broadly reflective of the state's population.

(4) The planning facilitator shall initially meet with the advisory groups within 30 days of the director selecting its membership, and then at least once every quarter, and, if approved by the director, within 15 days upon request of a majority of the advisory group.

SEC. 6. Section 10858 of the Education Code is amended to read:

10858. The partner entities shall, and the University of California is requested to, enter into memoranda of understanding or participation

agreements for data sharing purposes, as necessary, for the implementation of this article.

SEC. 7. Section 10859 of the Education Code is amended to read:

10859. The sum of ten million dollars (\$10,000,000) is hereby appropriated from the General Fund in the 2019–20 fiscal year to the Office of Planning and Research on a one-time basis, available for encumbrance and expenditure through the 2021–22 fiscal year, subject to all of the following:

(a) Two million dollars (\$2,000,000) for the Office of Planning and Research to contract with planning facilitators pursuant to Section 10855.

(b) Two million dollars (\$2,000,000) to be allocated as follows:

(1) Five hundred thousand dollars (\$500,000) to be retained by the Office of Planning and Research to lead the workgroup established pursuant to Section 10853 and perform other administrative functions to implement this article.

(2) (A) One million three hundred thousand dollars (\$1,300,000) for the Office of Planning and Research to allocate one hundred thousand dollars (\$100,000) to each of the state entities identified in paragraphs (1) to (3), inclusive, of subdivision (a) of Section 10854 for workgroup and planning activities.

(B) Upon order of the Director of Finance, the funds in subparagraph (A) shall be provided to the state entities identified in paragraphs (1) through (3), inclusive, of subdivision (a) of Section 10854.

(3) Two hundred thousand dollars (\$200,000) for the Office of Planning and Research to provide one hundred thousand dollars (\$100,000) to each of the entities identified in paragraphs (4) and (5) of subdivision (a) of Section 10854 for workgroup and planning activities.

(c) The remaining funds shall only be released to the Office of Planning and Research with the approval of an expenditure plan by the Department of Finance and notification to the Joint Legislative Budget Committee based upon reporting from the planning facilitators pursuant to Sections 10856 and 10857.

SEC. 8. Article 2 (commencing with Section 10860) is added to Chapter 8.5 of Part 7 of Division 1 of Title 1 of the Education Code, to read:

Article 2. California Cradle-to-Career Data System

10860. (a) There is hereby established in state government the California Cradle-to-Career Data System for the purpose of connecting individuals and organizations to trusted information and resources. The data system shall be considered a source for actionable data and research on education, economic, and health outcomes for individuals, families, and communities, and provide for expanded access to tools and services that support the navigation of the education-to-employment pipeline.

(b) (1) The data system shall be used to provide access to data and information necessary to provide insights into critical milestones in the

education-to-employment pipeline, including insight regarding early learning and care to grade 12, inclusive, and into higher education, skills training opportunities, and employment to better enable individuals to maximize their educational and career opportunities, and to foster evidence-based decisionmaking to help the state build a more equitable future.

(2) The information contained in the data system shall be used to accomplish all of the following:

- (A) Address disparities in opportunities and outcomes.
- (B) Support student guidance.
- (C) Foster continuous improvement.
- (D) Address the needs of researchers.

(c) The data system shall do all of the following:

(1) Enable the linkage, management, and monitoring of information on student progress through education, workforce training, employment, health, and social services.

(2) Ensure that information contained, and available through, the data system is kept secure and that individual privacy is protected.

(3) Provide for access to actionable data on education, economic, and health outcomes for use by individuals, students, families, and communities to, among other things, illustrate inequities in opportunities and outcomes.

(4) Provide support for professional development opportunities to further policy making and to improve the functionality of the system by end users, including state agencies, schools, colleges and universities, social service providers, and students and families.

(5) Provide support for opportunities to enhance the state's system of public education, educational programs, and educational services.

(6) Advance academic, nonprofit, and governmental research to enhance the development of policies focused on birth through career.

(7) Support the creation of user-facing tools and services, and access to information necessary to do all of the following:

(A) Provide tailored supports to students, educators, parents, and advisors, and better enable students to navigate the education-to-employment pipeline.

(B) Enable the streamlining and administration of college application processes and student financial aid programs.

(C) Allow researchers and policymakers to explore policy problems and solutions.

(d) At all times, the data system shall act in furtherance of the public good and shall be held accountable thereto.

(e) The planning of the data system shall be subject to the Project Approval Lifecycle of the Department of Technology, pursuant to Section 4819.35 of the State Administrative Manual and all other relevant sections. The development and implementation of the data system shall be subject to the reporting and oversight requirements of the Department of Technology, pursuant to Section 4819.36 of the State Administrative Manual and all other relevant sections. The planning, development, and implementation of any additions to, or revisions of, the data system shall also be subject to these requirements.

(f) At all times, the data system shall comply with federal and state laws to protect individual privacy, including, but not necessarily limited to, all of the following:

(1) The federal Family Education Rights and Privacy Act of 1974 (Public Law 93-280, as amended).

(2) The federal Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, as amended).

(3) The federal Higher Education Act of 1965 (Public Law 89-329, as amended).

(g) Any data collected pursuant to this article shall be treated as personal information, as defined in Section 1798.3 of the Civil Code, and shall be deidentified unless otherwise specified in this article.

10861. For purposes of this article, the following definitions apply:

(a) “Advisory boards” means the advisory boards established pursuant to Section 10865.

(b) “A–G coursework” means the 15-unit pattern of courses across seven subject areas that pupils must complete during high school to meet minimum eligibility requirements for admission to the California State University or the University of California.

(c) “Analytical tools” means the resources that provide for access to information for research and evaluation purposes such as dashboards, a query builder, summaries of key student and employment outcomes, and a research library, including, but not limited to, the P20W data set.

(d) “California College Guidance Initiative” (CCGI) means the public-nonprofit partnership of Student Friendly Services, established pursuant to Item 6100-172-0001 of the annual Budget Act, authorized by Section 60900.5, and administered by the Foundation for California Community Colleges established pursuant to Section 72670.5, or a successor agent.

(e) “Data providers” means entities that submit the individual, educational, academic, training, employment, social service, health, and other information used to create the data system.

(f) “Data requests in the public interest” means those requests that enable parents, educators, health and human services providers, researchers, and policymakers to provide appropriate interventions and supports to address disparities in opportunities and improve outcomes for all students.

(g) “Data system” means the Cradle-to-Career Data System established pursuant to this chapter.

(h) “eTranscript California” means an electronic transcript service administered by the California Community Colleges, or a successor agent.

(i) “Governing board” means the governing board established pursuant to Section 10864 that is subject to Sections 10865 and 10866.

(j) “Managing entity” means the office created in Section 10862 that is responsible for Section 10867.

(k) “Operational tools” means the publicly supported educator-, student-, and parent-facing tools that use student-specific data to support college planning and education transitions, including, but not limited to, the CCGI

and eTranscript California. All tools under this definition shall comply with the student privacy provisions of Section 49073.1. Pursuant to subdivision (d) of Section 10870, a local educational agency shall not be required to enter into a contract with a provider of publicly supported “operational tools” as defined in this subdivision.

(l) “Participation agreement” means the legal framework used by the state to establish the conditions under which data may be shared and used, and may include the use of a master data exchange agreement or other agreements between partner entities, data providers, and the managing entity.

(m) “P20W data set” means the data set adopted by the governing board and requested from the data providers, including, but not limited to, the approximately 160 data points described in the report to the Department of Finance and the Legislature required by subdivision (a) of Section 10856 and as adjusted by the governing board. The governing board may add or remove requested data points based on changes in the usage of the element. As required by the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code) and the federal Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g), data providers shall retain sole control over their source data and may reject, add, or remove data elements contributed to the P20W data set, as reflected in its participation agreement with the managing entity.

10862. (a) The Office of Cradle-to-Career Data is hereby created within the Government Operations Agency.

(b) The office shall also be known as the “managing entity,” and shall serve as a neutral administrative body, consistent with the purpose and intent of this chapter, to do all of the following:

- (1) Initiate the data system during the startup process.
- (2) Ensure wide, appropriate, and legal use of the data system as a one-stop shop for cradle-to-career data to support policy researchers. In order to ensure individual privacy, and in accordance with federal law, control of the data available through the data system shall be retained by the data providers who contributed the data through their participation agreement, and disclosed to and by the managing entity only to the extent permitted by federal law.
- (3) Scale operational tools to better serve educators, students, and families.
- (4) Implement communications, professional development, and technical assistance that supports data system use.

(c) (1) The managing entity shall operate until July 1, 2026, or a later date, as approved by the governing board, contingent on a review of the appropriateness and efficacy of the Government Operations Agency continuing to house the managing entity after July 1, 2026.

(2) A recommendation to move the managing entity under the administration of another state department or agency shall be submitted by the governing board to the Legislature and the Governor through the governing board’s annual budget submission.

10863. In fulfilling their roles, all governing board members, advisory board members, and managing entity employees shall do all of the following:

- (a) Prioritize the needs of students and families.
- (b) Comply with federal and state laws to protect individual privacy, including, but not necessarily limited to, all of the following:
 - (1) The federal Family Educational Rights and Privacy Act of 1974 (Public Law 93-280, as amended).
 - (2) The federal Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, as amended).
 - (3) The federal Higher Education Act of 1965 (Public Law 89-329, as amended).
- (c) Any data collected pursuant to this article shall be treated as personal information, as defined in Section 1798.3 of the Civil Code, and shall be deidentified unless otherwise specified in this article.
- (d) Consider and respond to stakeholder input.
- (e) Promote and foster an environment and culture of collaboration and cooperation.
- (f) Promote a culture of data-informed decisionmaking by consulting with data experts and intended data users, including members of the public, when developing data use priorities.

10864. (a) The data system shall be governed by a governing board composed of the following 21 members:

- (1) The Superintendent of Public Instruction or the Superintendent's designee.
- (2) The Chancellor of the California Community Colleges or the chancellor's designee.
- (3) The Chancellor of the California State University or the chancellor's designee.
- (4) The President of the University of California or the president's designee.
- (5) The President of the Association of Independent California Colleges and Universities or the president's designee.
- (6) The Chief of the Bureau for Private Postsecondary Education or the chief's designee.
- (7) The Executive Director of the Student Aid Commission or the executive director's designee.
- (8) The Executive Director of the Commission on Teacher Credentialing or the executive director's designee.
- (9) The Secretary of California Health and Human Services or the secretary's designee.
- (10) The Secretary of Labor and Workforce Development or the secretary's designee.
- (11) Four public members, to be appointed by the Governor, as follows:
 - (A) Two elementary and secondary education practitioners to serve as a representative of elementary and secondary educators, counselors, and administrators.

(B) Two members of the public who meet the requirements of paragraph (1) of subdivision (c).

(12) Four members of the public, to be appointed by the Legislature, as follows:

(A) Two members of the public to be appointed by the Speaker of the Assembly.

(B) Two members of the public to be appointed by the President Pro Tempore of the Senate.

(13) One Senator appointed by the President Pro Tempore of the Senate, or the Senator's designee.

(14) One Assembly Member appointed by the Speaker of the Assembly or the Assembly Member's designee.

(15) The Chief Operations Officer of California School Information Services.

(b) A designee serving at the pleasure of a governing board described in paragraphs (1) to (10), inclusive, of subdivision (a) shall be qualified and authorized to make decisions on behalf of the appointed member.

(c) All of the following shall apply to the public member appointments made pursuant to paragraphs (11) and (12) of subdivision (a):

(1) It is the intent of the Legislature that, in appointing members, the appointing authority shall make every effort to ensure the membership of the governing board is reflective of the cultural, racial, geographical, economic, and social diversity of California, taking into consideration factors including, but not limited to, diversity in data user experience, diversity in expertise with educational data, diversity in professional experience, and representation from different geographical and socioeconomic backgrounds.

(2) The public members shall represent the public beneficiaries of the data system, including, but not limited to, practitioners, families, students, adult learners and workers, community organizations, research organizations, or advocates.

(3) A public member shall serve a term of no more than three years, and shall not serve more than two consecutive terms or more than six years.

(4) The public members shall have staggered terms.

(5) For the first appointment of public members to the governing board only, to create staggered terms, the terms of those members shall be as follows:

(A) The terms of the public members appointed pursuant to subparagraph (A) of paragraph (11) of subdivision (a) shall be for three years.

(B) The terms of the public members appointed pursuant to subparagraph (B) of paragraph (11) of subdivision (a) shall be for one year.

(C) The terms of the public members appointed pursuant to paragraph (12) of subdivision (a) shall be for two years.

(d) Notwithstanding subdivisions (b) and (c), the governing board may expand membership on the governing board to include new data contributors and ex officio governing board members.

(e) Notwithstanding the governing board representatives designated in paragraphs (5), (11), and (12) of subdivision (a), all other institutions represented on the governing board shall be data providers.

(f) The governing board shall be subject to 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).

10865. (a) The governing board shall provide the governance structure for the data system by developing and revising, from time to time, a self-governance process to ensure that the governing board, among other actions, does all of the following:

- (1) Convenes on a regular basis, but no less than quarterly.
- (2) Selects a chairperson.
- (3) Develops conflict of interest policies in accordance with applicable statutes.
- (4) Allows governing board members to receive per diem and reimbursement of travel expenses.
- (5) Adopts a vote threshold for decision-making that requires two-thirds of the voting membership to concur in the decision.
- (6) Ensures multiagency cooperation.
- (7) Develops policies and practices to expand the governing board to include new data providers and ex officio members.

(b) (1) There are hereby established two advisory boards to provide input and feedback to the governing board on topics as follows:

(A) The Data and Tools Advisory Board, with responsibility for examining whether the data system is providing actionable information and identifying ways to improve access to that information.

(B) The Community Engagement Advisory Board, with responsibility for examining whether the managing entity is creating strong feedback loops with data users, supporting evidence-based decision-making and analytical capacity, and ensuring equitable access to actionable information.

(2) Members of each of the advisory boards shall be appointed by the governing board, and shall serve three-year terms, with the initial appointment term staggered such that one-third of the positions expire each year.

(c) The governing board may establish and disband additional ad hoc committees, as it sees fit and as is appropriate to further the intent of this chapter.

(d) All advisory boards established by this section shall be subject to 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).

10866. (a) The governing board shall appoint an executive officer to oversee the managing entity. The executive officer shall be exempt from civil service consistent with subdivision (e) of Section 4 of Article VII of the California Constitution, including setting the terms of employment, and annual compensation shall be commensurate with other like positions in state government. The executive officer shall employ such other employees

as they deem necessary for the effective conduct of the work of the managing entity.

(b) The governing board shall be responsible for, in consultation with the advisory boards, the strategic direction and implementation of the data system, including, but not limited to, all of the following:

(1) Adopting a timeline for phasing in the data system, including a timeline for the development of analytical tools, operational tools, and offering professional development and technical assistance.

(2) Ensuring that the data system is serving its intended purposes by submitting recommendations to the Governor and the Legislature to adjust the data system's vision, mission, and strategic objectives, particularly recommendations related to improving educational outcomes and reducing opportunity gaps.

(3) Adopting and adjusting as necessary a data dictionary, data standards, and security protocols to ensure interoperability between the data system, the source data, and other state data systems using the same source data.

(4) Expanding the collected data set, beyond the P20W data set, by doing both of the following:

(A) Approving additional data providers.

(B) Requesting additional data points from data providers, in the context of data quality, legal concerns, costs, and preserving the neutrality of the data system. The governing board shall not require a data provider to collect data that the data provider is not legally allowed, under other applicable laws, to collect.

(5) Creating new analytical and operational tools that would help the public interact with the data.

(6) Creating, and revising from time to time, in consultation with the advisory boards, a data request process for use by researchers, policymakers, education systems, schoolsites, and college campuses for information that is all of the following:

(A) In compliance with federal and state laws to protect individual privacy.

(B) Not otherwise available via the public query tools maintained by the managing entity.

(C) Allows for expedited access to summary data that has been properly deidentified.

(D) Allows for data providers to approve data requests in the public interest, as defined pursuant to Section 10861.

(c) (1) The governing board shall be responsible for adopting best practice policies related to privacy and security, including creating policies, in accordance with federal and state law, governing the collection and use of personally identifiable information from data providers, which may include the creation of an "opt out" policy for students and families.

(2) This section does not hinder the use of personally identifiable information for educator- and student-facing college guidance and planning tools, defined as operational tools in Section 10851.

(d) The governing board shall provide oversight of the data system and operational direction to the managing entity to ensure the data system is serving its intended purpose. This may include, but is not limited to, all of the following activities:

(1) Adopting an annual strategic plan and reviewing and revising that plan as needed.

(2) Approving budget requests for inclusion in the governing board's annual budget request.

(3) Ensuring continued use of a user-centered design approach by the managing entity.

(4) Reviewing and approving all of the following:

(A) End user professional development, and technical assistance and communications plans, as developed by the managing entity.

(B) An operational tools implementation plan, as developed by the managing entity.

(C) Recommendations for topics to be included in reports to provide a neutral summary of information available in the data system.

(D) Significant content changes to the analytical tools, such as dashboard visualizations and query builder data points.

(5) Conducting data quality audits.

(6) Providing for other audits and evaluations.

(7) Adopting rules and exercising authority to promulgate regulations, including emergency regulations.

(8) Any other activities necessary to further the intent of this chapter.

(9) Providing regular reports to the Legislature and Governor related to the implementation of this chapter. The reports to the Legislature shall be submitted in compliance with Section 9795 of the Government Code.

(e) The governing board may create any other policies and procedures necessary to further the intent of this chapter.

10867. (a) The managing entity shall implement and manage the data system based on the direction set by the governing board.

(b) The managing entity shall be responsible for all of the following:

(1) Supporting the governing board, advisory boards, and data providers, including, but not limited to, all of the following:

(A) Staffing the governing board, advisory boards, and associated meetings and processes.

(B) Supporting the development and updating of the governance manual.

(C) Onboarding new data providers, in partnership with the governing board chairperson.

(D) Supporting the development of regulations and policies required to implement this chapter.

(E) Providing analysis and recommendations, as necessary and appropriate, regarding all of the following:

(i) Data points.

(ii) Analytical and operational tools.

(iii) Professional development, technical assistance, and communication plans.

(F) Escalating issues regarding compliance, technical infrastructure, and data system implementation to the governing board, as appropriate and necessary for the furtherance of this chapter.

(2) Managing administrative functions of the data system, including, but not limited to, all of the following:

(A) Developing annual work plans, budget requests, and operational budgets.

(B) Overseeing personnel and compensation, except for the appointment and compensation of the executive officer pursuant to Section 10866.

(C) Ensuring regular reporting and external evaluations of the efficacy of the data system in fulfilling its purpose.

(D) Entering into contracts and agreements, as needed to further this chapter.

(3) Managing the technical infrastructure for analytical tools, including, but not limited to, doing all of the following:

(A) Creating, procuring, managing, securing, and maintaining the infrastructure necessary to compile, match, store, access, and visualize information from data providers.

(B) Creating data sets tailored to processes approved by the governing board.

(C) Ensuring both of the following:

(i) The availability, reliability, and performance of the technical infrastructure.

(ii) Data privacy and security in accordance with state and federal law.

(4) Implementing public educator- and researcher-facing tools and supporting their use by, including, but not limited to, doing all of the following:

(A) Leading user-centered design and testing processes.

(B) Providing information to the public using, among other tools, dashboards, query builders, and research libraries.

(C) Providing information and resources that do both of the following:

(i) Fosters evidence-based decisionmaking, strengthens analytical capacity to use available data tools, and enables users to understand structural factors that influence outcomes.

(ii) Takes into account the needs of various users.

(D) Engaging users by providing an ongoing channel for public input about the data system.

(E) Providing neutral written summaries of information available through the data system related to the public good and fostering equitable opportunities and outcomes.

(F) Monitoring and taking into account best practices related to longitudinal data systems, including participating in intrastate, interstate, and national data collection and policy efforts.

(5) Scaling, expanding, operating, and maintaining operational tools, including, but not limited to, by doing all of the following:

(A) Conducting an annual student experience audit related to navigating the transition from secondary education to higher education.

(B) Addressing the requirements of paragraph (2) of subdivision (c) of Section 69432.9 relating to submitting pupil grade point averages for the purpose of evaluating eligibility for state and federal student financial aid.

(C) Entering into a memorandum of understanding with the CCGI to deliver college planning and transition tools, which may include integrating college admissions and student financial aid applications and other integrations that streamline processes for students.

(D) Entering into a memorandum of understanding with eTranscript California to deliver electronic transcripts and verification of eligibility for social services.

(E) Within five years of the operative date of the act that adds this section, assessing the feasibility of subsuming the operation of operational tools that are currently administered by other agencies, and reporting findings to the governing board, the Legislature, and the Governor. The report to the Legislature shall be submitted in compliance with Section 9795 of the Government Code.

(6) Providing training and technical assistance, including, but not limited to, all of the following:

(A) Developing and curating all necessary technical documentation and resources to facilitate data submission.

(B) Ensuring that all data-enabled tools are used by the intended audiences.

(C) Promoting and training related to data literacy for use of the analytical tools.

(7) Supporting data requests, among other activities, including, but not limited to, all of the following:

(A) Determining if the content and the purpose of the request is sufficiently clear.

(B) Aligning the request with available data and tools and advising the requestor of other similar analyses that have been conducted using the data system.

(C) Advising the requestor on how best to access the information.

(D) Determining and advising the requestor as to whether there are any legal impediments to the request, and supporting the requestor to identify legally appropriate options.

(E) Coordinating the execution of legal agreements with data providers.

(F) Contracting with the Committee for the Protection of Human Subjects for the California Health and Human Services Agency to serve as the institutional review board regarding the use of personally identifiable information.

(G) Facilitating the timely resolution of concerns and the provision of data.

(H) Ensuring that the data request process is accessible and transparent. This includes making the criteria for requests, the status for requests, and written responses to any requests that have been denied, publicly available and posted in a prominent location on the data system's internet website.

(8) Improving data quality by, among other activities, including, but not limited to, doing all of the following:

(A) Coordinating issues related to data points and definitions to ensure the quality and reliability of source data provided by the data providers.

(B) Consulting with the Chief Data Officer and data providers to identify standards that would improve the ability to share data across systems.

(C) Regularly reviewing the efficacy and usability of tools, reports, and the user interface.

(D) Working with the advisory boards established pursuant to subdivision (b) of Section 10865 to identify data points with data quality questions.

(9) Ensuring routine and ongoing compliance with all applicable federal, state, and data provider specific laws and regulations.

(10) Seeking opportunities to increase government efficiency that may include identifying duplications of effort across state agencies and public education systems, and identifying opportunities for clearer or more consistent messaging to students and families related to education pathways and transitions.

10868. In furtherance of Section 10867, the managing entity may exercise all powers reasonably necessary to carry out and comply with the duties, requirements, and responsibilities of this chapter, including, but not limited to, both of the following:

(a) Notwithstanding any other law, extending, expanding, or otherwise applying an alternative to existing state procurements for goods and services to further the intent of this chapter.

(b) Contracting with national data service providers on behalf of data providers and the entities managing operational tools in order to provide for economies of scale and streamline processes for students.

10869. Notwithstanding Section 11010 of the Government Code, and the State Administrative Manual, the governing board and the managing entity may implement a data request fee policy to compensate for excessive use of the data system, to recover costs that would otherwise typically be borne by the requesting data researcher, or both. A data request fee policy implemented pursuant to this section shall be reviewed and approved by the governing board, revised periodically, and made publicly available and posted in a prominent location on the data system's internet website.

10870. (a) This section is intended to reduce redundancy, improve efficiency and transparency, and provide students, parents, and counselors with an easy to use, and simple to understand, one-stop automated process to provide all of the following:

(1) Clear, concise, and consistent messaging and tools to increase and monitor student readiness for college admission and attendance.

(2) A single point of entry to submit California college and university applications and applications for student financial aid, including the Free Application for Student Financial Aid and the California Dream Act Application.

(3) Other technological efficiencies that shift the burden away from students and families and to the institutions serving them.

(b) Operational tools, as defined by Section 10861, shall be provided by the data system for use by both of the following:

(1) Public schools offering any of grades 6 to 12, inclusive, to facilitate college readiness and transition.

(2) Institutions of higher education in the state, to facilitate streamlined application, admissions, assessments, and placements.

(c) The requirements of subdivision (a) shall be phased in within five years of the enactment of Article 1 (commencing with Section 10850), based on a timeline to be developed by the governing board pursuant to subdivision (d) of Section 10866.

(d) Notwithstanding Section 49073.1, a local educational agency shall not be required to issue a formal contract with a provider of operational tools, as defined in Section 10861.

10871. (a) (1) Data providers, as defined in Section 10861, shall contribute to the data system, at least annually, the data points contained in the P20W data set that each data provider agrees to contribute under the terms of its participation agreement with the managing entity.

(2) Source data shall be consistent with data definitions and standards adopted by the governing board. Data providers shall make every effort to ensure source data is of the highest quality before submitting the data to the managing entity for inclusion in the data system.

(b) The managing entity shall work with data providers to ensure data quality, in furtherance of paragraph (8) of subdivision (b) of Section 10867.

10872. Notwithstanding any other law, records or source data contained in the data system shall not be subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

10873. (a) (1) The managing entity shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice of all employees, prospective employees, contractors, subcontractors, volunteers, and vendors whose duties include or would include access to nonanonymized confidential information, personally identifiable information, personal health information, or financial information contained in the information systems and devices of the managing entity provided by the data providers for the purposes of creating longitudinal datasets in service of the data system. This information shall be submitted for purposes of obtaining information as to the existence and content of a record of state or federal convictions and also information as to the existence and content of a record of state or federal arrests for which the Department of Justice establishes that the person is free on bail or on their recognizance pending trial or appeal.

(2) The managing entity shall require a services contract, interagency agreement, or public entity agreement that includes or would include access to information described in paragraph (1), and entered into, renewed, or amended on or after July 1, 2021, to include a provision requiring the contractor to agree to criminal background checks on its employees, contractors, agents, or subcontractors who will have access to information

described in paragraph (1) as part of their services contract, interagency agreement, or public entity agreement with the managing entity.

(b) The Department of Justice shall forward to the Federal Bureau of Investigation requests for federal summary criminal history information received pursuant to paragraph (1) of subdivision (a). The Department of Justice shall review the information returned from the Federal Bureau of Investigation and compile and disseminate a response to the managing entity.

(c) The Department of Justice shall provide a state or federal level response to the managing entity pursuant to subdivision (p) of Section 11105 of the Penal Code.

(d) The managing entity shall request from the Department of Justice subsequent notification service, as provided pursuant to Section 11105.2 of the Penal Code, for persons listed in paragraph (1) of subdivision (a).

(e) The Department of Justice shall charge a fee sufficient to cover the cost of processing requests pursuant to this section.

10874. Of the funds appropriated pursuant to Schedule (3) of Item 0511-001-0001 of the Budget Act of 2021, upon the order of the Director of Finance, two million four hundred fifty-two thousand dollars (\$2,452,000) shall be transferred as follows:

(a) One million seven hundred two thousand dollars (\$1,702,000) to the State Department of Education.

(b) One hundred fifty thousand dollars (\$150,000) to the California Community Colleges.

(c) One hundred fifty thousand dollars (\$150,000) to the California State University.

(d) One hundred fifty thousand dollars (\$150,000) to the University of California.

(e) One hundred fifty thousand dollars (\$150,000) to the Student Aid Commission.

(f) One hundred fifty thousand dollars (\$150,000) to the Employment Development Department.

SEC. 9. Section 44230 of the Education Code is amended to read:

44230. (a) (1) The commission shall maintain for public record, and may disclose, only the following information relating to the credentials, certificates, permits, or other documents that it issues: the document number, title, term of validity, subjects, authorizations, effective dates, renewal requirements, and restrictions. The commission may also disclose the last known business address of any applicant or credentialholder.

(2) Notwithstanding any other law, except as provided for in Sections 10871, 44230.6, and 44248, no information, other than that set forth in paragraph (1), may be disclosed by the commission absent an order from a court of competent jurisdiction.

(b) In order to expedite the application process for the benefit of applicants for credentials, certificates, permits, or other documents issued by the commission, the commission may receive from, or transmit to, the agency that submitted the application, either electronically or by printed copy, the information set forth in that application. For purposes of this

subdivision, “agency” means a school district, county office of education, or institution of higher education having a commission-approved program of professional preparation.

SEC. 10. Section 51225.7 is added to the Education Code, to read:

51225.7. (a) For purposes of this section, the following definitions apply:

(1) “Local educational agency” means a school district, county office of education, or charter school.

(2) “Opt-out form” means a form developed by the Student Aid Commission that permits parents, legal guardians, a legally emancipated pupil, a pupil who is 18 years of age or older, or a local educational agency on a pupil’s behalf to not fill out a Free Application for Federal Student Aid or California Dream Act Application for any reason.

(3) “Pupil” means a pupil in grade 12 attending a high school maintained by a local educational agency.

(b) Commencing with the 2022–23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency shall confirm that a pupil complies with at least one of the following:

(1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.

(2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.

(c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (f).

(d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil’s parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil’s behalf.

(e) The governing board or body of the local educational agency shall ensure both of the following:

(1) The local educational agency directs each high school pupil and, if applicable, the pupil’s parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission,

postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.

(f) The Student Aid Commission shall, on or before July 1, 2022, adopt regulations that include, but are not limited to, model opt-out forms and acceptable use policies for the purpose of providing guidance on the requirements relating to state law in paragraph (2) of subdivision (e). The Student Aid Commission shall post and make available any model opt-out forms and policies established pursuant to this subdivision on its internet website.

(g) A pupil who does not fulfill the requirements of this section shall not be penalized or punished and this section shall not affect a pupil's ability to graduate.

SEC. 11. Section 60900 of the Education Code is amended to read:

60900. (a) The department shall contract for the development of proposals that will provide for the retention and analysis of longitudinal pupil achievement data on the tests administered pursuant to Chapter 5 (commencing with Section 60600), Chapter 7 (commencing with Section 60810), and Chapter 9 (commencing with Section 60850). The longitudinal data shall be known as the California Longitudinal Pupil Achievement Data System.

(b) The proposals developed pursuant to subdivision (a) shall evaluate and determine whether it would be most effective, from both a fiscal and a technological perspective, for the state to own the system. The proposals shall additionally evaluate and determine the most effective means of housing the system.

(c) The California Longitudinal Pupil Achievement Data System shall be developed and implemented in accordance with all state rules and regulations governing information technology projects.

(d) The system or systems developed pursuant to this section shall be used to accomplish all of the following goals:

(1) To provide school districts and the department access to data necessary to comply with federal reporting requirements delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

(2) To provide a better means of evaluating educational progress and investments over time.

(3) To provide local educational agencies with the information and data needed to inform operational tools, as defined in Section 10861, that can be used to improve pupil achievement, including college and career readiness.

(4) To provide an efficient, flexible, and secure means of maintaining longitudinal statewide pupil level data between and among the state's educational segments and operational tools, as defined in Section 10861, including, but not limited to, all of the following:

(A) Pupil level data from all elementary and secondary schools, including, but not limited to, juvenile court schools, alternative schools, continuation schools, special education schools, and adult educational programs offering a high school diploma or equivalency.

(B) Pupil level data collected in both detention and nondetention settings.

(C) Pupil level data to postsecondary educational institutions and the Student Aid Commission.

(5) To facilitate the ability of the state to publicly report data, as specified in Section 6401(e)(2)(D) of the federal America COMPETES Act (20 U.S.C. Sec. 9871) and as required by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

(6) To ensure that any data access provided to researchers, as required pursuant to the federal Race to the Top regulations and guidelines is provided, only to the extent that the data access is in compliance with the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g).

(e) In order to comply with federal law as delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), the local educational agency shall retain individual pupil records for each test taker, including all of the following:

(1) All demographic data collected from the California Assessment of Student Performance and Progress (CAASPP) and English language development tests.

(2) Pupil achievement data from assessments administered pursuant to the CAASPP and English language development testing programs. To the extent feasible, data should include subscore data within each content area.

(3) A unique pupil identification number, to be identical to the pupil identifier developed pursuant to the California School Information Services, that shall be retained by each local educational agency and used to ensure the accuracy of information on the header sheets of the CAASPP tests and the English language development test.

(4) All data necessary to compile reports required by the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), including, but not limited to, dropout and graduation rates.

(5) Other data elements deemed necessary by the Superintendent, with the approval of the state board, to comply with the federal reporting requirements delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), and the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), after review and comment by the advisory board convened pursuant to subdivision (h). Before the implementation of this paragraph with respect to adding data elements to the California Longitudinal Pupil Achievement Data System for the purpose of complying with the federal American Recovery and Reinvestment Act

of 2009 (Public Law 111-5), the department and the appropriate postsecondary educational agencies shall submit an expenditure plan to the Department of Finance detailing any administrative costs to the department and costs to any local educational agency, if applicable. The Department of Finance shall provide to the Joint Legislative Budget Committee a copy of the expenditure plan within 10 days of receipt of the expenditure plan from the department.

(6) To enable the department, the University of California, the California State University, and the Chancellor of the California Community Colleges to meet the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), these entities shall be authorized to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems, to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(f) The California Longitudinal Pupil Achievement Data System shall have all of the following characteristics:

(1) The ability to sort by demographic element collected from the CAASPP tests and English language development test.

(2) The capability to be expanded to include pupil achievement data from multiple years.

(3) The capability to monitor pupil achievement on the CAASPP tests and English language development test from year to year and school to school.

(4) The capacity to provide data to the state and local educational agencies upon their request.

(5) The capability to provide data to support operational tools, as defined in Section 10861.

(g) Data elements and codes included in the system shall comply with Sections 49061 to 49079, inclusive, and Sections 49602 and 56347, with Sections 430 to 438, inclusive, of Title 5 of the California Code of Regulations, with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code), and with the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g), Section 1232h of Title 20 of the United States Code, and related federal regulations.

(h) The department shall convene an advisory board consisting of representatives or designees from the state board, the Department of Finance, the State Privacy Ombudsman, the Legislative Analyst's Office, representatives of parent groups, school districts, and local educational agencies, and education researchers to establish privacy and access protocols, provide general guidance, and make recommendations relative to data

elements. The department is encouraged to seek representation broadly reflective of the general public of California.

(i) This section shall be implemented using federal funds received pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), which are appropriated for purposes of this section in Item 6110-113-0890 of Section 2.00 of the Budget Act of 2002 (Chapter 379 of the Statutes of 2002). The release of these funds is contingent on approval of an expenditure plan by the Department of Finance.

(j) For purposes of this chapter, a local educational agency shall include a county office of education, a school district, and a charter school.

SEC. 12. Section 60900.5 is added to the Education Code, to read:

60900.5. (a) The California College Guidance Initiative (CCGI), as defined in Section 10861, is hereby authorized to provide its services to all California school districts.

(b) In furtherance of paragraph (5) of subdivision (b) of Section 10867, the department shall enter into a memorandum of understanding with the CCGI, as authorized in subdivision (a), to accomplish all of the following:

(1) Share course level data from each local educational agency to validate, as they are submitted to the California Longitudinal Pupil Achievement Data System (CalPADS), if the course meets the requirements of A–G coursework, as defined in Section 10861.

(2) Share pupil course level data to inform individual pupil accounts on the operational tools.

(3) Collect additional data elements to ensure proper functioning and to incentivize use of the operational tools.

(4) Share pupil level data with the Student Aid Commission, postsecondary educational institutions, and programs that support college and career planning, application, and transition, as permitted under the federal Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g).

(5) Notwithstanding subdivision (g) of Section 10860 and subdivision (c) of Section 10863, fully effectuate the intent of the Cradle-to-Career Data System Act pursuant to Chapter 8.5 (commencing with Section 10850) of Part 7 of Division 1 of Title 1.

(c) The department shall provide guidance to local educational agencies through CalPADS to clarify data standards and promote best practices. The department shall refer local educational agencies to CCGI for technical assistance in reconciling discrepancies between A–G coursework, as listed in their local pupil information system, and how those courses are registered in the course management portal at the office of the President of the University of California, or a successor A–G course management portal.

(d) The department shall ensure that the notifications provided by local educational agencies, as required by the federal Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g), include appropriate content related to all of the following:

(1) CalPADS data shall be shared with the CCGI.

(2) CalPADS pupil level data shall be used to provide pupils and families with direct access to online tools and resources.

(3) A pupil may transmit information shared with the CCGI to both of the following:

(A) Postsecondary educational institutions for purposes of admissions and academic placement.

(B) The Student Aid Commission for purposes of determining eligibility for, and increasing uptake of, student financial aid.

(e) The Legislature finds and declares its intent that the CCGI, upon full implementation of this section, provide all of the following services:

(1) A free college and career planning curriculum and website for grades 6 to 12, inclusive, designed to provide touch points three to six times per year.

(2) Financial aid curriculum for grades 9 to 12, inclusive.

(3) Support to school districts to plan for and monitor use of planning tools and curriculum.

(4) Tools to enable pupils and their families to determine if they are on track to meet college qualifications, based on their individual goals, and to allow authorized elementary and secondary school counselors to view the progress of individual pupils on meeting California State University and University of California eligibility requirements.

(5) Validation of data relating to A–G admission requirements in local pupil information systems that is flagged with respect to the University of California Course Management Portal.

(6) Technical assistance to school districts on data cleanup processes.

(7) Providing statewide pupil identification numbers to the California Community Colleges, the California State University, the University of California, and the Student Aid Commission so that information stored in local systems will improve matches for research purposes and the Cradle-to-Career Data System.

(8) Transcripts processed in near real time with the California Community Colleges, the California State University, the University of California, and the Student Aid Commission, using an application program interface.

(9) Allow elementary and secondary school pupils to give permission to inform public colleges if they are a first-generation college student, homeless, migrant, or economically disadvantaged.

(10) Provide information on race or ethnicity, grade point average, high school graduation status, and where pupils applied to college to the Student Aid Commission through a faster application program interface format.

(11) Prepopulation of California Community Colleges, California State University, and University of California application fields related to statewide pupil identification numbers, transcript data, demographic information, and other data elements that can reduce barriers for pupils.

(12) Development of new planning tools related to career and technical education pathways, apprenticeships, transfer options, and regional labor markets.

(13) Potential shift of data provision from school districts to the department.

(f) The scaling of the CCGI is further intended to address the all of the following problems and state needs:

(1) Reduce equity gaps in college-going rates by ensuring that all pupils and their families have the information needed to develop college and career plans, starting in grade 6, and to secure financial aid.

(2) Enable elementary and secondary school counselors to monitor where pupils are applying and support them to complete applications.

(3) Identify elementary and secondary school courses that are incorrectly flagged as fulfilling California State University and University of California eligibility requirements compared to the University of California Course Management Portal.

(4) Reduce structural barriers by allowing pupils to launch college and financial aid applications from a single location, using one set of log on credentials.

(5) Ensure that pupils can easily and quickly transmit academic records to public postsecondary educational institutions when applying for admission.

(6) Share additional information with the Student Aid Commission to validate and reduce the time to determine eligibility for Cal Grant awards.

(7) Reduce the administrative burden on school districts and colleges to transmit and validate records.

(8) Strengthen data that can be used to match pupil records.

(g) On or before April 1, 2022, and on or before April 1 of each year thereafter, the Riverside County Office of Education shall report to the Director of Finance and the Joint Legislative Budget Committee regarding the annual budget for the CCGI as supported through the annual Budget Act. The report shall include, but not necessarily be limited to, all of the following information:

(1) All other public and private sources of revenue.

(2) How prior fiscal year funds were spent and current fiscal year funds are budgeted to be spent.

(3) A budget change proposal, if any additional funds are being requested for the budget year.

(4) The names and locations of local educational agencies that have partnered with the CCGI, including identification of local educational agencies that were added in the prior fiscal year and are intended to be added in the budget year.

(5) The names of postsecondary educational agencies that have partnered with the CCGI, including identification of postsecondary educational agencies that were added in the prior fiscal year and the budget year and identification of any postsecondary educational agencies that terminated their partnership with the CCGI.

(6) Website analytics on identifying the number of accounts, types of activities completed, and the number of pupils that applied to college via the CCGI.

(7) Information on progress towards meeting the deliverables expected of the CCGI pursuant to subdivision (a).

(h) The first annual report due on April 1, 2022, also shall contain a needs assessment that provides data on all of the following:

(1) The existing usage of the CCGI's various features by pupils, counselors, and others in the elementary, secondary, and postsecondary segments of education.

(2) Survey data from users on the relative usefulness of the existing features and other potential, desired features such as additional college planning tools.

(3) Recommendations for modifying the CCGI's features consistent with the survey results.

SEC. 13. Section 66021.2 of the Education Code is amended to read:

66021.2. Consistent with the state's historic commitment to provide educational opportunity by ensuring both student access to and selection of an institution of higher education for students with financial need, the long-term policy of the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program established pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 shall be as follows:

(a) Commencing with the 2001–02 academic year and every year thereafter, an applicant for a Cal Grant A or B award shall receive an award that is not in excess of the financial need amount determined by the Student Aid Commission pursuant to Section 69432.9 if the applicant complies with all of the following requirements:

(1) Demonstrates financial need under the criteria adopted pursuant to Section 69432.9.

(2) Attains a grade point average, as defined in Section 69432.7, meeting the requirements of Chapter 1.7 (commencing with Section 69430) of Part 42.

(3) Complies with each of the eligibility criteria applicable to the type of Cal Grant award for which the applicant is applying.

(b) (1) (A) The maximum Cal Grant A award for a student attending the University of California or the California State University shall equal the mandatory systemwide fees in the segment attended by the student, plus the access award specified in Article 9 (commencing with Section 69465) of Chapter 1.7 of Part 42 if the student meets qualifying criteria pursuant to subdivision (b) of Section 69465, or the access award specified in Article 10 (commencing with Section 69470) of Chapter 1.7 of Part 42 if the student meets qualifying criteria pursuant to subdivision (a) of Section 69470.

(B) The maximum Cal Grant B award for a student who is attending the University of California, the California State University, or the California Community Colleges when not enrolled in upper division coursework as described in paragraph (2), shall equal the mandatory systemwide fees in the segment attended by the student, except for community college students who receive waivers from the Board of Governors of the California Community Colleges, plus the access award calculated as specified in Article 3 (commencing with Section 69435) or, if the student meets the qualifying criteria pursuant to subdivision (b) of Section 69465, Article 9 (commencing with Section 69465) of Chapter 1.7 of Part 42, or if the student meets

qualifying criteria pursuant to subdivision (a) of Section 69470, Article 10 (commencing with Section 69470) of Chapter 1.7 of Part 42, except that in the first year of enrollment in a qualifying institution, the maximum award shall be only for the amount of the access award.

(2) (A) The maximum Cal Grant A award for a community college student enrolled in upper division coursework of a baccalaureate degree program, described in Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7, shall equal the per unit fees charged for the upper division coursework for the academic term, plus the access award specified in Article 9 (commencing with Section 69465) of Chapter 1.7 of Part 42 if the student meets the qualifying criteria pursuant to subdivision (b) of Section 69465, or the access award specified in Article 10 (commencing with Section 69470) of Chapter 1.7 of Part 42 if the student meets the qualifying criteria pursuant to subdivision (a) of Section 69470.

(B) The maximum Cal Grant B award for a community college student enrolled in upper division coursework of a baccalaureate degree program, described in Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7, shall equal the per unit fees charged for the upper division coursework for the academic term, plus the access award calculated as specified in Article 3 (commencing with Section 69435) or, if the student meets the qualifying criteria pursuant to subdivision (b) of Section 69465, Article 9 (commencing with Section 69465) of Chapter 1.7 of Part 42, or if the student meets qualifying criteria pursuant to subdivision (a) of Section 69470, Article 10 (commencing with Section 69470) of Chapter 1.7 of Part 42.

(c) The maximum Cal Grant awards for students attending nonpublic institutions shall be as follows:

(1) The maximum Cal Grant A award shall equal the tuition award level established in the Budget Act of 2000, or the amount as adjusted in subsequent annual budget acts.

(2) The maximum Cal Grant B award shall equal the amount of the tuition award as established in the Budget Act of 2000, or the amount as adjusted in subsequent annual budget acts, plus the amount of the access costs specified in Section 69435, except that, in the first year of enrollment in a qualifying institution, the maximum award shall be only for the amount of the access award.

(d) Commencing with the 2000–01 academic year, and each academic year thereafter, the Cal Grant C award shall be used only for occupational or technical training.

(e) Commencing with the 2000–01 academic year, and each academic year thereafter, the Cal Grant T award shall be used only for one academic year of full-time attendance in a program of professional preparation that has been approved by the California Commission on Teacher Credentialing.

(f) An institution of higher education in this state that participates in the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program shall not reduce its level of per capita need-based institutional financial aid to undergraduate

students, excluding loans, below the total level awarded in the 2000–01 academic year.

(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. 14. Section 66021.9 of the Education Code is amended to read:

66021.9. (a) The University of California may provide a scholarship as established by the university or a campus of the university, derived from nonstate funds received for that purpose, to any of its enrolled students who meet the eligibility requirements for that scholarship.

(b) The Legislature finds and declares that this section is a state law within the meaning of subdivision (d) of Section 1621 of Title 8 of the United States Code.

(c) This section shall remain in effect only until June 30, 2023, and as of that date is repealed.

SEC. 15. Section 66023.5 is added to the Education Code, to read:

66023.5. (a) As used in this section:

(1) “Basic needs services and resources” includes, but is not limited to, housing, food, clothing, feminine hygiene, diapers, technology, childcare, and mental health services and resources.

(2) “Coordinator” means a basic needs coordinator established pursuant to this section.

(b) Each campus of the California Community Colleges shall do all of the following:

(1) No later than July 1, 2022, establish the position of the Basic Needs Coordinator, and designate a staff person as the Basic Needs Coordinator to serve as the single point of contact for students experiencing basic needs insecurity related to basic needs services and resources. The coordinator shall act as a broker in identifying, supporting, and linking students to on- and off-campus housing, food, mental health, and other basic needs services and resources. To ensure the effectiveness and impact of this position, the coordinator shall be a dedicated position solely focused on addressing the basic needs of students and meet qualifications such as experience providing services to high-need and diverse populations. The coordinator shall oversee and coordinate with other staff tasked with addressing students’ basic needs, shall inform students of all on- and off-campus basic needs services and resources and how to access them, and shall develop on- and off-campus partnerships to provide basic needs services and resources to their students.

(2) (A) No later than July 1, 2022, establish a Basic Needs Center, which means a central location on campus where basic needs services, resources,

and staff are made available to students. The Basic Needs Center is intended to be a one-stop, single location and point of contact for students to more easily access and gain awareness of basic needs services and resources. The campus shall make a reasonable effort to locate all on-campus basic needs services and resources at the Basic Needs Center. If the campus cannot reasonably locate all basic needs services or resources at the Basic Needs Center, the campus shall provide students with the location and contact information, including name, telephone number, and email address, for all basic needs services and resources not located in the Basic Needs Center. The coordinator shall be housed in the Basic Needs Center.

(B) Each Basic Needs Center shall help ensure that students have the information they need to enroll in CalFresh and other relevant government benefits programs. Each Basic Needs Center shall coordinate with their campus financial aid department or financial aid office. This section shall not be construed to require or encourage the Basic Needs Center to be combined or colocated with the financial aid department or financial aid office. The funding made available by the Budget Act of 2021 to implement this section, or any subsequent Budget Act or statute to implement this section, shall not be used to combine or colocate the Basic Needs Center with the financial aid department or financial aid office and shall not be used for the administration of student financial aid programs, including staffing. Each Basic Needs Center shall connect students to the financial aid department or financial aid office as appropriate to ensure that students are receiving all available financial aid. Each Basic Needs Center shall coordinate with their local homelessness response system to refer students to community resources available to address homelessness in addition to services and resources provided by the campus. Basic Needs Centers shall be authorized to provide support to students who can be reasonably expected to enroll in the upcoming term and to provide support to students during summer and winter breaks who were previously enrolled or are enrolled for the upcoming fall or spring term.

(C) Campuses shall endeavor, to the extent feasible, to use a portion of any funds made available for basic needs support for providing funds directly to students to address urgent needs. To the extent that a Basic Needs Center is already in place, that center may be used to satisfy the requirements of this section. If the existing Basic Needs Center fulfills only part of the requirements of this section, basic needs services and resources shall be expanded as needed to satisfy all the requirements of this section.

(3) (A) No later than February 1, 2022, develop a document that shall be provided to students at the Basic Needs Center, once established pursuant to paragraph (2), in either electronic format or paper form, and that shall be made available to students online, that clearly lists all on- and off-campus basic needs services and resources that includes, but is not necessarily limited to, all of the following:

- (i) The description of the service or resource.
- (ii) The location of where the service or resource is provided.

(iii) The point of contact for the service or resource, including a name, telephone number, and email address.

(iv) Any eligibility restrictions on accessing the service or resource.

(B) Provide the document to students as a part of campus orientations in either electronic format or paper form.

(C) Provide to faculty the online link to the electronic format of the document, the location of the Basic Needs Center, once established pursuant to paragraph (2), and the contact information for the coordinator, once designated pursuant to paragraph (1), and encourage faculty to include the online link to the electronic format of the document, the location of the Basic Needs Center, and the contact information for the coordinator in their syllabi.

(D) To ensure that the document remains useful to students, the document shall be reviewed, updated, and made available online on both the internet website of the campus via the student basic needs tab and the internet website-based student account associated with a student's attendance at the institution, as specified in paragraph (6), no later than the first day of every fall and spring semester or no later than the first day of every fall and spring quarter.

(4) No later than February 1, 2022, streamline the application and intake process for on-campus basic needs services and resources to minimize duplication and eliminate barriers to access. If an application is required, develop and use a single application for students to receive on-campus basic needs services and resources.

(5) No later than February 1, 2022, develop and implement a plan to identify and provide outreach to students, including nontraditional students, who have basic needs insecurity related to housing, food, and mental health. Once the coordinator is designated pursuant to paragraph (1) and the Basic Needs Center is established pursuant to paragraph (2), the outreach shall include information about the coordinator and the Basic Needs Center.

(6) No later than February 1, 2022, provide a student basic needs tab that is clearly visible and easily accessible from a drop-down menu on the home page of the campus' internet website and include the information described in paragraph (3) conspicuously on both the internet website of the campus via the student basic needs tab and the internet website-based student account associated with a student's attendance at the institution. Once the coordinator is designated pursuant to paragraph (1) and the Basic Needs Center is established pursuant to paragraph (2), information about the coordinator and Basic Needs Center shall also be included on both the internet website of the campus via the student basic needs tab and the internet website-based student account associated with a student's attendance at the institution.

(c) (1) Each campus of the California Community Colleges shall report to the office of the Chancellor of the California Community Colleges information that shall include, but not necessarily be limited to, all of the following:

(A) The description and number of basic needs services and resources, broken down by category.

(B) The number of students served by the basic needs services and resources.

(C) The socioeconomic and demographic backgrounds of these students.

(D) Challenges and best practices in the implementation of the basic needs services and resources.

(E) Whether students who used the basic needs services and resources remained enrolled or graduated from a campus maintained by the district.

(2) The data and information reported under this subdivision shall be disaggregated by each basic needs service and resource, where applicable.

(d) The office of the Chancellor of the California Community Colleges shall develop and submit to the Governor and the Legislature every year beginning on or before May 1, 2023, a report based on the data and information reported by campuses pursuant to subdivision (c) and information on the use of funds made available to implement this section.

SEC. 16. Section 66744 of the Education Code is amended to read:

66744. (a) (1) Commencing with the 2004–05 academic year, and each academic year thereafter, the Trustees of the California State University shall establish a dual admissions program for eligible freshman applicants. Under this program, eligible freshman applicants may be offered the opportunity to enter into a dual admissions agreement with the California State University.

(2) Student participation in the dual admissions program under this subdivision is voluntary. It is the intent of the Legislature that the incentives provided in paragraph (3) shall encourage students otherwise eligible for admission to the California State University to attend a campus of the California Community Colleges for their lower-division coursework.

(3) The agreement shall include, but is not necessarily limited to, all of the following incentives:

(A) A guarantee that the student will be admitted to a California State University campus during a future academic year, provided that the student successfully completes lower-division transfer requirements at a campus of the California Community Colleges.

(B) Notwithstanding Section 76300, for each student who enrolls under this subdivision at a campus of the California Community Colleges pursuant to the dual admissions program in the 2004–05 academic year, a guarantee that any campus of the California Community Colleges shall waive fees for up to two academic years, irrespective of financial need, while that student is enrolled at that campus.

(C) For each student who enrolls, under this subdivision, at a campus of the California Community Colleges pursuant to the dual admissions program in the 2005–06 academic year, or any academic year thereafter, a guarantee that any campus of the California Community Colleges shall waive fees for each financially needy student. For the purposes of this paragraph, financial need shall be determined by the standards established by the Board of Governors of the California Community Colleges in Section 58620 of Title 5 of the California Code of Regulations or in a successor regulation.

(D) A guarantee that the student will receive counseling services from the California State University to ensure that the student is informed of the appropriate course requirements to be eligible for transfer to the California State University, and is also informed of the various financial aid options.

(4) The Chancellor of the California State University shall annually submit to the Director of Finance, as part of the budget preparation process, an estimate of the number of students expected to participate, under this subdivision, in the dual admissions program in the succeeding academic year.

(b) (1) Commencing with the 2004–05 academic year, and each academic year thereafter, the Legislature requests that the Regents of the University of California establish a dual admissions program for eligible freshman applicants. Under this program, eligible freshman applicants may be offered the opportunity to enter into a dual admissions agreement with the University of California.

(2) Student participation in the dual admissions program under this subdivision is voluntary. It is the intent of the Legislature that the incentives provided in paragraph (3) shall encourage students otherwise eligible for admission to the University of California to attend a campus of the California Community Colleges for their lower-division coursework.

(3) The agreement shall include, but is not necessarily limited to, all of the following incentives:

(A) A guarantee that the student will be admitted to a University of California campus during a future academic year, provided that the student successfully completes lower-division transfer requirements at a campus of the California Community Colleges.

(B) Notwithstanding Section 76300, for each student who enrolls under this subdivision at a campus of the California Community Colleges pursuant to the dual admissions program in the 2004–05 academic year, a guarantee that any campus of the California Community Colleges shall waive fees for up to two academic years, irrespective of financial need, while that student is enrolled at that campus.

(C) For each student who enrolls, under this subdivision, at a campus of the California Community Colleges pursuant to the dual admissions program in the 2005–06 academic year, or any academic year thereafter, a guarantee that any campus of the California Community Colleges shall waive fees for each financially needy student. For the purposes of this paragraph, financial need shall be determined by the standards established by the Board of Governors of the California Community Colleges in Section 58620 of Title 5 of the California Code of Regulations or in a successor regulation.

(D) A guarantee that the student will receive counseling services from the University of California to ensure that the student is informed of the appropriate course requirements to be eligible for transfer to the University of California, and is also informed of the various financial aid options.

(4) The President of the University of California is requested to annually submit to the Director of Finance, as part of the budget preparation process, an estimate of the number of students expected to participate, under this

subdivision, in the dual admissions program in the succeeding academic year.

(c) Commencing with first-time freshman applicants for admission in the 2023–24 academic year, and for admission in each academic year through the 2025–26 academic year, a dual admissions agreement shall not be entered into pursuant to this section.

SEC. 17. Section 66744.1 is added to the Education Code, to read:

66744.1. (a) As used in this section, unless the context requires otherwise, “university” means the California State University.

(b) It is the intent of the Legislature that the California State University establish a dual admissions program as a separate transfer pathway for first-time freshman applicants, and that the dual admissions program be designed to aid in achieving the following goals:

(1) Increasing access to the university for prospective underrepresented students experiencing limitations in high school curriculum offered, geographical constraints, or financial challenges.

(2) Increasing graduation rates among underrepresented students.

(3) Reducing student costs and time-to-degree completion.

(4) Improving transfer pathways between the California Community Colleges, the University of California, and the university.

(5) Increasing predictability for the purposes of student and institutional planning.

(c) Commencing with the 2023–24 academic year, and each academic year through the 2025–26 academic year, the Trustees of the California State University shall offer a dual admissions program for first-time freshman applicants who meet the criteria described in paragraph (1) of subdivision (e). Under this program, first-time freshman applicants may be offered the opportunity to enter into a dual admissions agreement with the university. The agreement shall include, but is not necessarily limited to, all of the following:

(1) (A) A guarantee that the student will be admitted to a university campus during a future academic year if the student successfully completes an associate degree for transfer or another established course of study for transfer within two academic years at a California community college.

(B) The guarantee of admission shall be for a specific university campus selected by the student at the time of the agreement. If the student’s desired major or selected university campus is impacted or oversubscribed, the agreement may specify supplementary criteria for the student to meet, such as required attainment of a grade point average above the minimum defined in the general admission requirements. The university shall specify in the agreement any applicable supplementary criteria, including the specific grade point average that the student must attain in lower-division coursework. If the student plans to complete an associate degree for transfer, the supplementary criteria shall not alter the unit requirements applicable to the selected associate degree for transfer.

(2) For students who are eligible to have their fees waived pursuant to Article 1 (commencing with Section 76300) of Chapter 2 of Part 47 of

Division 7, or under the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 7, a guarantee that the applicable campus of the California Community Colleges shall waive their fees while they are participating in the dual admissions program and enrolled at that campus.

(3) A guarantee that the student shall have access to library, counseling, and other services from the applicable university campus or the university campus nearest to the student's primary residence, and the applicable California Community College to ensure that the student is informed of the appropriate course requirements to qualify for transfer to the university, and is also informed of the various financial aid options. California Community Colleges are requested to indicate on the student's education plan developed pursuant to Section 78212 that the student is participating in the dual admissions program.

(d) To the extent feasible, the university is requested to provide each student who is offered the opportunity to enter into a dual admissions agreement with a provisional financial aid letter indicating the financial aid package the student may receive upon transfer to the university. The letter shall include federal, state, and institutional-based financial aid for which the student may qualify. If providing this information, the university shall clearly indicate that the financial aid package is subject to change based on updated financial information provided on the Free Application for Federal Student Aid (FAFSA) or the California Dream Act application, as applicable, and potential changes in rules governing the provision of federal, state, and institutional-based financial aid.

(e) (1) In evaluating applications for dual admissions, the university shall only consider applicants who meet all of the following criteria:

(A) The applicant is a first-time freshman applicant who will meet the university's admissions eligibility criteria only upon completion of transfer requirements at a California community college.

(B) The applicant provides supporting information regarding the applicant's inability to meet freshman admissions eligibility criteria due to limitations in the high school curriculum offered or personal or financial hardship. For purposes of this subparagraph, supporting information may include, but is not necessarily limited to, a letter from a counselor or administrator at the applicant's high school.

(C) The applicant plans to complete either of the following:

(i) An associate degree for transfer at a California community college.

(ii) Another established course of study for transfer at a California community college.

(2) The university shall prioritize offers of dual admissions agreements for students who plan to complete an associate degree for transfer at a California community college.

(f) (1) On or before April 1, 2026, the university shall submit a progress report to the Department of Finance and the Legislature pursuant to Section 9795 of the Government Code. The report shall include, but not be limited to, all of the following information for each participating university campus:

(A) The number and names of community colleges that partner with the university campus on a dual admission program.

(B) A description of the support services the community college and university campus partners each are providing to dual admission students.

(C) The number of students who applied, were admitted, filed a statement of intent to register, and enrolled at each university campus pursuant to a dual admission program, disaggregated by freshman eligibility, community college of attendance, and the race, ethnicity, gender, and, as applicable, federal Pell Grant and AB 540 status of these students.

(D) For Fall 2023, 2024, and 2025, the breakdown of all transfer applicants, admits, students who submitted an intent to register, and students who enrolled by community college, race and ethnicity, gender, and Pell Grant or AB 540 status. The universities can satisfy this requirement through any existing public reporting, where applicable.

(2) The report to be submitted to the Legislature pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(g) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 18. Section 66744.2 is added to the Education Code, to read:

66744.2. (a) As used in this section, unless the context requires otherwise, “university” means the University of California.

(b) It is the intent of the Legislature that the University of California establish a dual admissions program as a separate transfer pathway for first-time freshman applicants, and that the dual admissions program be designed to aid in achieving the following goals:

(1) Increasing access to the university for prospective underrepresented students experiencing limitations in high school curriculum offered, geographical constraints, or financial challenges.

(2) Increasing graduation rates among underrepresented students.

(3) Reducing student costs and time-to-degree completion.

(4) Improving transfer pathways between the California community colleges, the California State University, and the university.

(5) Increasing predictability for the purposes of student and institutional planning.

(c) Commencing with the 2023–24 academic year, and each academic year through the 2025–26 academic year, the Regents of the University of California shall offer a dual admissions program for first-time freshman applicants who meet the eligibility criteria described in paragraph (1) of subdivision (f). Under this program, first-time freshman applicants may be offered the opportunity to enter into a dual admissions agreement with the university. The agreement shall include, but is not necessarily limited to, all of the following:

(1) (A) A guarantee that the student will be admitted to a university campus during a future academic year if the student successfully completes an associate degree for transfer or a university equivalent to an associate degree for transfer established pursuant to subdivision (d), or another

established course of study for transfer within two academic years at a California Community College. For purposes of this paragraph, the regents are requested to collaborate with the Board of Governors of the California Community Colleges to develop processes leading to the alignment of associate degree for transfer requirements between the university, the California State University, and the California Community Colleges.

(B) The guarantee of admission shall be for a specific university campus selected by the student at the time of the agreement. If the student's desired major or selected university campus is impacted or oversubscribed, the agreement may specify supplementary criteria for the student to meet, such as required attainment of a grade point average above the minimum defined in general admission requirements. The university shall specify in the agreement any applicable supplementary criteria, including the specific grade point average that the student must attain in lower-division coursework. If the student plans to complete an associate degree for transfer, the supplementary criteria shall not alter the unit requirements applicable to the selected associate degree for transfer, or university equivalent.

(2) For students who are eligible to have their fees waived pursuant to Article 1 (commencing with Section 76300) of Chapter 2 of Part 47 of Division 7, or under the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 7, a guarantee that the applicable campus of the California Community Colleges shall waive their fees while they are participating in the dual admissions program and enrolled at that campus.

(3) A guarantee that the student shall have access to library, counseling, and other services from the applicable university campus or the university campus nearest to the student's primary residence, and the applicable California Community College to ensure that the student is informed of the appropriate course requirements to qualify for transfer to the university, and is also informed of the various financial aid options. California Community Colleges are requested to indicate on the student's education plan developed pursuant to Section 78212 that the student is participating in the dual admissions program.

(d) For purposes of establishing a dual admissions program pursuant to this section, the university may establish a, or use an existing, university equivalent to an associate degree for transfer in lieu of establishing a dual admissions program that relies upon participating students' completion of an associate degree for transfer. If the university establishes a university equivalent to an associate degree for transfer, or uses an existing university equivalent to an associate degree for transfer, the university shall identify the following for prospective dual admissions students:

(1) Courses that overlap between the existing associate degree for transfer pathway and its university equivalent pathway.

(2) Courses that do not overlap between the existing associate degree for transfer pathway and its university equivalent pathway.

(e) To the extent feasible, the university is requested to provide each student who is offered the opportunity to enter into a dual admissions

agreement with a provisional financial aid letter indicating the financial aid package the student may receive upon transfer to the university. The letter shall include federal, state, and institutional-based financial aid for which the student may qualify. If providing this information, the university shall clearly indicate that the financial aid package is subject to change based on updated financial information provided on the Free Application for Federal Student Aid (FAFSA) or the California Dream Act application, as applicable, and potential changes in rules governing the provision of federal, state, and institutional-based financial aid.

(f) (1) In evaluating applications for dual admissions, the university shall only consider applicants who meet all of the following criteria:

(A) The applicant is a first-time freshman applicant who will meet the university's admissions eligibility criteria only upon completion of transfer requirements at a California community college.

(B) The applicant provides supporting information regarding the applicant's inability to meet freshman admissions eligibility criteria due to limitations in the high school curriculum offered or personal or financial hardship. For purposes of this subparagraph, supporting information may include, but is not necessarily limited to, a letter from a counselor or administrator at the applicant's high school.

(C) The applicant plans to complete either of the following:

(i) An associate degree for transfer at a California community college or a university equivalent established pursuant to subdivision (d).

(ii) Another established course of study for transfer at a California community college.

(2) The university shall prioritize offers of dual admissions agreements for students who plan to complete an associate degree for transfer at a California community college.

(g) (1) On or before April 1, 2026, the university shall submit a progress report to the Department of Finance and the Legislature. The report shall include, but not be limited to, all of the following information for each participating university campus:

(A) The number and names of community colleges that partner with the university campus on a dual admission program.

(B) A description of the support services the community college and university campus partners each are providing to dual admission students.

(C) The number of students who applied, were admitted, filed a statement of intent to register, and enrolled at each university campus pursuant to a dual admission program, disaggregated by freshman eligibility, community college of attendance, and the race, ethnicity, gender, and, as applicable, federal Pell Grant or AB 540 status of these students.

(D) For Fall 2023, 2024, and 2025, the breakdown of all transfer applicants, admits, students who submitted an intent to register, and students who enrolled by community college of attendance, race, ethnicity, gender, and, as applicable, federal Pell Grant or AB 540 status. The universities can satisfy this requirement through any existing public reporting, where applicable.

(2) The report to be submitted to the Legislature pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(h) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 19. Section 69432 of the Education Code is amended to read:

69432. (a) (1) Cal Grant Program awards shall be known as “Cal Grant A Entitlement Awards,” “Cal Grant B Entitlement Awards,” “California Community College Expanded Entitlement Awards,” “California Community College Transfer Entitlement Awards,” “Competitive Cal Grant A and B Awards,” “Cal Grant C Awards,” and “Cal Grant T Awards.”

(2) For purposes of this section, “associate degree for transfer commitment” means a commitment by an independent institution of higher education that chooses to accept the California Community College associate degree for transfer pursuant to Section 66749.6.

(b) Maximum award amounts for students at independent institutions of higher education, private for-profit postsecondary educational 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.

(c) (1) Notwithstanding subdivision (b), and subdivision (c) of Section 66021.2, commencing with the 2013–14 award year, the maximum tuition award amounts for Cal Grant A and B awards for students attending private for-profit postsecondary educational institutions shall be four thousand dollars (\$4,000).

(2) Notwithstanding paragraph (1) of this subdivision, subdivision (b) of this section, and subdivision (c) of Section 66021.2, commencing with the 2018–19 award year, the maximum tuition award amounts for Cal Grant A and B awards for students attending private for-profit postsecondary educational institutions accredited by the Western Association of Schools and Colleges shall be nine thousand eighty-four dollars (\$9,084) for new recipients, unless otherwise specified in the Budget Act of 2018.

(d) Notwithstanding subdivision (b) of this section, and subdivision (c) of Section 66021.2, the maximum tuition award amounts for Cal Grant A and B awards for students attending independent institutions of higher education shall be as follows:

(1) For the 2015–16 to 2020–21 award years, inclusive, nine thousand eighty-four dollars (\$9,084) for new recipients.

(2) For the 2021–22 award year, nine thousand two hundred twenty dollars (\$9,220) for new recipients.

(3) For the 2022–23 award year:

(A) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year meets or exceeds a target of 3,000, nine thousand two hundred twenty dollars (\$9,220) for new recipients.

(B) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year is fewer than 3,000, eight thousand fifty-six dollars (\$8,056) for new recipients.

(4) For the 2023–24 award year:

(A) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year meets or exceeds a target of 3,500, nine thousand two hundred twenty dollars (\$9,220) for new recipients.

(B) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year is fewer than 3,500, eight thousand fifty-six dollars (\$8,056) for new recipients.

(5) For the 2024–25 award year and each award year thereafter:

(A) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year meets or exceeds the target specified in subdivision (h), nine thousand two hundred twenty dollars (\$9,220) for new recipients.

(B) If the number of new unduplicated transfer students accepted by independent institutions of higher education who have been given associate degree for transfer commitments in the prior award year is less than the target specified in subdivision (h), eight thousand fifty-six dollars (\$8,056) for new recipients.

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

(f) It is the intent of the Legislature that independent institutions of higher education make a good faith effort to make the process for transferring from the California Community Colleges easier for resident students and a decision determining the maximum award amounts made pursuant to this section for students attending an independent institution of higher education will be made with consideration of the effort of the institution to make that process easier.

(g) The association representing the largest number of independent institutions of higher education shall submit a report relative to the implementation of this section to the Department of Finance and the Legislature, in conformity with Section 9795 of the Government Code, on or before April 15 of each year.

(h) For the 2024–25 award year and each award year thereafter, the target number of new unduplicated recipients accepted by independent institutions of higher education who have been given associate degree for transfer commitments shall be equal to the number of new transfer students attending independent institutions of higher education who were given associate degree for transfer commitments in the prior award year, adjusted by the percentage

change in the total number of new transfer students from the year two years prior, compared to the prior year.

(i) For purposes of this section, “independent institution of higher education” has the same meaning as in Section 66010.

SEC. 20. Section 69432.9 of the Education Code is amended to read:

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. Each pupil enrolled in grade 12 in a California public school, including a charter school, other than pupils who opt out as provided in subdivision (d), shall be deemed to be a Cal Grant applicant.

(b) Financial need shall be determined to establish an applicant’s initial eligibility for a Cal Grant award and a renewing recipient’s continued eligibility 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, as amended (20 U.S.C. Sec. 1070 et seq.).

(1) “Expected family contribution,” with respect to an applicant or renewing recipient, 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.

(2) “Financial need” means 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 Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.).

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

(4) Notwithstanding paragraphs (2) and (3), for the 2020–21 and 2021–22 award years, a student with an initial or renewal Cal Grant A award impacted by a change in the student’s living status, from living on-campus to living off-campus or from living on-campus to living at home, due to the COVID-19 pandemic, shall have the student’s eligibility for the initial or renewal Cal Grant A award calculated based on what it would have been had the change in the student’s living status due to the COVID-19 pandemic not occurred.

(c) (1) The commission shall require that a grade point average be submitted to it for all Cal Grant A and B applicants, except for those permitted to provide test scores in lieu of a grade point average or as provided in subparagraph (B) of paragraph (4).

(2) (A) On or before January 1, 2025, the commission shall require that any grade point average data required for eligibility for student financial

aid programs be submitted by local educational agencies through the California Longitudinal Pupil Achievement Data System established by Section 60900 for transmittal to the California College Guidance Initiative. The governing board of the Cradle-to-Career Data System shall be responsible for developing a timeline to guide the commission's implementation of this paragraph.

(B) (i) The commission shall require that a grade point average be submitted to it electronically on a standardized form for all grade 12 pupils at public schools, including charter schools, no later than October 1 of each academic year, except for pupils who have opted out as provided in subdivision (d). Social security numbers shall not be included in the information submitted to the commission. However, if the commission determines that a social security number is required to complete the application for financial aid, the school, school district, or charter school may obtain permission from the parent or guardian of the pupil, or the pupil, if the pupil is 18 years of age, to submit the pupil's social security number to the commission.

(ii) 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.

(iii) (I) 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.

(II) Notwithstanding subparagraph (B), for the 2021–22 award year, commission staff may waive the requirement to submit a test score in lieu of a qualifying grade point average for a student who does not have a grade point average and is unable to submit a test score due to unavailability of designated testing due to the COVID-19 pandemic. The commission shall require a student seeking a waiver under this subparagraph to submit a signed certification verifying they were prevented from taking and submitting a test score in lieu of a qualifying grade point average due to the COVID-19 pandemic. For purposes of consideration for a Cal Grant A or B Entitlement award when applying with a waiver under this subparagraph for the 2021–22 award year, students shall have until May 16, 2021, to complete and submit their financial aid application and signed certification verifying they were prevented from taking and submitting a test score in lieu of a qualifying grade point average.

(iv) The requirements of this subparagraph shall become inoperative upon the submission by the commission of any required grade point average through the Cradle-to-Career Data System pursuant to subparagraph (A).

(3) 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.

(4) (A) It is the intent of the Legislature that the commission make available to each high school and school district a report identifying all grade 12 pupils within the high school or school district, respectively, who have and have not completed the Free Application for Federal Student Aid or the California Dream Act application.

(B) (i) It is the intent of the Legislature that the commission make available to each high school and school district a report identifying all grade 12 pupils within the high school or school district, respectively, who have and have not completed the Free Application for Federal Student Aid or the California Dream Act application.

(ii) The requirements of this subparagraph shall become inoperative upon the submission by the commission of any required grade point average through the Cradle-to-Career Data System pursuant to subparagraph (A).

(d) (1) The school district or charter school shall, no later than January 1 of a pupil's grade 11 academic year, notify, in writing, each grade 11 pupil and, for a pupil under 18 years of age, the pupil's parent or guardian that, pursuant to subdivision (a), the pupil will be deemed a Cal Grant applicant unless the pupil opts out within a period of time specified in the notice, which shall not be less than 30 days. The required notice shall indicate when the school will first send grade point averages to the commission and the submission deadline of October 1. The school district or charter school shall provide an opportunity for the pupil to opt out of being automatically deemed a Cal Grant applicant.

(2) Until a pupil turns 18 years of age, only a parent or guardian may opt the pupil out. Once a pupil turns 18 years of age, only the pupil may opt the pupil out and, if before the conclusion of the notice period, the pupil may opt in over the prior decision of a parent or guardian to opt out.

SEC. 21. Section 69434 of the Education Code is amended to read:

69434. (a) 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, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), 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) (1) 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.
- (2) A community college student participating in a baccalaureate degree program pursuant to Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7 who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for upper division coursework fees pursuant to Section 66021.2.
- (d) Students receiving a Cal Grant A award pursuant to this article who meet the qualifying criteria pursuant to subdivision (b) of Section 69465 shall also receive an access award pursuant to Article 9 (commencing with Section 69465).
- (e) Students receiving a Cal Grant A award pursuant to this article who are not receiving an access award pursuant to subdivision (d) and meet the qualifying criteria pursuant to subdivision (a) of Section 69470 shall also receive an access award pursuant to Article 10 (commencing with Section 69470).

SEC. 22. Section 69434.5 of the Education Code is amended to read:

69434.5. (a) 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 a period not to exceed two academic years, except that the commission may extend the period in which the individual's 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, the individual 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 used for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon the recipient's

grade level at the time the award is transferred to the tuition or fee-charging qualifying institution.

(b) (1) Individuals who are selected for a Cal Grant A award that is held in reserve pursuant to this section and who meet the qualifying criteria pursuant to subdivision (b) of Section 69465, or who meet the qualifying criteria pursuant to subdivision (a) of Section 69470, shall receive an award for access costs pursuant to Article 9 (commencing with Section 69465) or Article 10 (commencing with Section 69470), as applicable.

(2) The access award referenced in paragraph (1) shall be provided annually to a qualifying individual during the period of time that the individual's Cal Grant A award is held in reserve and upon transfer to a tuition or fee-charging qualifying institution, provided that the individual continues to meet the qualifying criteria pursuant to subdivision (b) of Section 69465, or meet the qualifying criteria pursuant to subdivision (a) of Section 69470, as applicable.

SEC. 23. Section 69435 of the Education Code is amended to read:

69435. (a) (1) 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, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), 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) or, if the recipient meets the qualifying criteria pursuant to subdivision (b) of Section 69465, the amount of the award provided pursuant to Article 9 (commencing with Section 69465), or if the recipient meets the qualifying criteria pursuant to subdivision (a) of Section 69470, the amount of the award provided pursuant to Article 10 (commencing with Section 69470). These amounts may be adjusted in the annual Budget Act.

SEC. 24. Article 3.5 (commencing with Section 69435.5) is added to Chapter 1.7 of Part 42 of Division 5 of Title 3 of the Education Code, to read:

Article 3.5. California Community College Expanded Entitlement Program

69435.5. (a) Commencing with the 2021–22 academic year, 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 the student’s high school graduation but will be enrolled at a California community college during the award year and meets all of the criteria set forth in subdivision (b) shall be entitled to a Cal Grant A or B award.

(b) (1) To receive a Cal Grant A award under this article, an applicant shall be enrolled at a California community college during the award year and 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.

(2) To receive a Cal Grant B award under this article, an applicant shall be enrolled at a California community college during the award year and 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 do either of the following:

(A) Demonstrate attainment of a community college or college grade point average of at least 2.0 on a 4.0 scale.

(B) Reestablish the student’s 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.

(c) (1) The commission shall use the standardized student financial aid application described in Section 69432.9.

(2) An official financial aid application shall be submitted pursuant to Section 69432.9 and submitted or postmarked no later than September 2 of the academic year for which funds would be applied.

(d) 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.

(e) (1) A student who receives an award under this article may subsequently transfer to a University of California or California State University campus and remain eligible to receive the award, if the student meets all other requirements of this article and the general Cal Grant eligibility requirements set forth in Article 1 (commencing with Section 69430).

(2) A student who receives an award under this article and subsequently transfers to an independent institution of higher education or a private

for-profit postsecondary educational institution shall not remain eligible to receive an award under this article. The student shall remain eligible to apply for a California Community College Transfer Entitlement Award under Article 4 (commencing with Section 69436) or a Competitive Cal Grant A or B award under Article 5 (commencing with Section 69437), if the student meets all requirements of the relevant article and the general Cal Grant eligibility requirements set forth in Article 1 (commencing with Section 69430).

(f) (1) 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 a period not to exceed two academic years, except that the commission may extend the period in which the individual's 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 University of California or California State University campus, the individual shall be eligible to receive the Cal Grant A award previously held in reserve if, at the time of the request, the individual 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 used for purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon the recipient's grade level at the time the award is transferred to the tuition or fee-charging qualifying institution.

(2) (A) Individuals selected for a Cal Grant A award that is held in reserve pursuant to this subdivision who meet the qualifying criteria pursuant to subdivision (b) of Section 69465 shall receive an award for access costs pursuant to Article 9 (commencing with Section 69465).

(B) The access award referenced in subparagraph (A) shall be provided annually to qualifying individuals during the period of time that their Cal Grant A award is held in reserve and upon transfer to a tuition or fee-charging qualifying institution, provided that the individual continues to meet the qualifying criteria pursuant to subdivision (b) of Section 69465.

(3) (A) Individuals selected for a Cal Grant A award that is held in reserve pursuant to this subdivision who are not receiving an award for access costs pursuant to paragraph (2) and meet the qualifying criteria pursuant to subdivision (a) of Section 69470 shall receive an award for access costs pursuant to Article 10 (commencing with Section 69470).

(B) The access award referenced in subparagraph (A) shall be provided annually to qualifying individuals during the period of time that their Cal Grant A award is held in reserve and upon transfer to a tuition or fee-charging qualifying institution, provided that the individual continues to meet the qualifying criteria pursuant to subdivision (a) of Section 69470.

SEC. 25. Section 69437 of the Education Code is amended to read:

69437. (a) Commencing with the 2001–02 academic year, and each academic year thereafter, there shall be established the Competitive Cal Grant A and 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) Commencing with the 2021–22 academic year, a total of 13,000 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) The awards referenced in this subdivision are available to students who will be enrolled at an institution other than a California community college during the award year and who meet the financial need and academic requirements established pursuant to this article. A student shall apply by the March 2 deadline.

(2) If any awards are not distributed pursuant to paragraph (1) 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 13,000 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 both of the following:

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

(B) 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.

SEC. 26. 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 do either of the following:

(1) Demonstrate attainment of a community college or college grade point average of at least 2.0 on a 4.0 scale.

(2) Reestablish the student's 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) (1) An individual selected for a competitive Cal Grant A award who enrolls in a California community college may elect to have the award held in reserve for a period not to exceed two academic years, except that the commission may extend the period in which the individual's 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, the individual 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 used for the purposes of this section. A recipient's years of eligibility for payment of benefits shall be based upon the recipient's 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 13,000 awards authorized by this article.

(2) (A) Individuals selected for a Cal Grant A award that is held in reserve pursuant to this subdivision who meet the qualifying criteria pursuant to subdivision (b) of Section 69465 shall receive an award for access costs pursuant to Article 9 (commencing with Section 69465).

(B) The access award referenced in subparagraph (A) shall be provided annually to qualifying individuals during the period of time that their Cal Grant A award is held in reserve and upon transfer to a tuition or fee-charging qualifying institution, provided that the individual continues to meet the qualifying criteria pursuant to subdivision (b) of Section 69465.

(3) (A) Individuals selected for a Cal Grant A award that is held in reserve pursuant to this subdivision who are not receiving an award for access costs pursuant to paragraph (2) and meet the qualifying criteria pursuant to subdivision (a) of Section 69470 shall receive an award for access costs pursuant to Article 10 (commencing with Section 69470).

(B) The access award referenced in subparagraph (A) shall be provided annually to qualifying individuals during the period of time that their Cal Grant A award is held in reserve and upon transfer to a tuition or fee-charging qualifying institution, provided that the individual continues to meet the qualifying criteria pursuant to subdivision (a) of Section 69470.

SEC. 27. Section 69465 of the Education Code is amended to read:

69465. (a) For purposes of this article, “dependent child” or “dependent children” means a child or children, as applicable, under 18 years of age whose parent or legal guardian is the student, if the child or all the children collectively receive more than 50 percent of their support from the student.

(b) Commencing with the 2019–20 academic year and each academic year thereafter, the commission shall identify all individuals with a dependent child or dependent children who meet both of the following qualifying criteria for the award year:

(1) The student will receive either a new or renewal Cal Grant A, B, or C award.

(2) The student will attend a University of California, California State University, or California Community College campus.

(c) Individuals identified by the commission as meeting qualifying criteria pursuant to subdivision (b) and who are receiving a Cal Grant A award or Cal Grant B award shall receive a total annual access award not to exceed six thousand dollars (\$6,000). This amount may be adjusted in the annual Budget Act.

(d) Individuals identified by the commission as meeting qualifying criteria pursuant to subdivision (b) and who are receiving a Cal Grant C award shall receive a total annual book and supply award not to exceed four thousand dollars (\$4,000). This amount may be adjusted in the annual Budget Act. Consistent with subdivision (e) of Section 69439, awards issued pursuant to this subdivision may be used for living expenses, institutional fees, charges, and other costs, including tuition and training-related costs, such as special clothing, local transportation, and required tools, equipment, supplies, technology, and books.

(e) Notwithstanding any other law, expenses paid with access awards granted pursuant to subdivision (c), and book and supply awards granted pursuant to subdivision (d), shall be considered allowable educational expenses and shall not be considered for purposes of determining eligibility for state public assistance programs.

(f) Notwithstanding any other law, an award provided pursuant to this article shall be excluded from the calculation of the maximum annual award value for purposes of subparagraph (A) of paragraph (3) of subdivision (b) of Section 69432.9.

(g) The usage of awards provided pursuant to this article shall be consistent with existing statutes and regulations governing eligible expenditures.

(h) Notwithstanding subdivisions (c) and (d), both of the following shall apply for purposes of this article:

(1) The amount appropriated in the annual Budget Act, and any other appropriation for purposes of this article, shall not exceed two hundred fifty million dollars (\$250,000,000).

(2) The commission shall annually determine if the amount appropriated for each fiscal year is sufficient to cover the cumulative cost of the funding projected to be awarded for the fiscal year pursuant to this article. If the commission determines that the amount appropriated is not sufficient to meet the funding projection for a fiscal year, the commission shall reduce awards proportionately by an equal percentage for all new recipients under this article for that fiscal year.

SEC. 28. Article 10 (commencing with Section 69470) is added to Chapter 1.7 of Part 42 of Division 5 of Title 3 of the Education Code, to read:

Article 10. Awards for Foster Youth and Former Foster Youth

69470. (a) Commencing with the 2021–22 academic year, the commission shall identify all foster youth and former foster youth, as defined in subdivision (b) of Section 66025.9, who meet both of the following qualifying criteria for the award year:

(1) The student will receive either a new or renewal Cal Grant A, B, or C award.

(2) The student will attend a University of California, California State University, or California Community College campus.

(b) Individuals identified by the commission as meeting qualifying criteria pursuant to subdivision (a) and who are receiving a Cal Grant A award or Cal Grant B award shall receive a total annual access award not to exceed six thousand dollars (\$6,000). This amount may be adjusted in the annual Budget Act.

(c) Individuals identified by the commission as meeting qualifying criteria pursuant to subdivision (a) and who are receiving a Cal Grant C award shall receive a total annual book and supply award not to exceed four thousand

dollars (\$4,000). This amount may be adjusted in the annual Budget Act. Consistent with subdivision (e) of Section 69439, awards issued pursuant to this subdivision may be used for living expenses, institutional fees, charges, and other costs, including tuition and training-related costs, such as special clothing, local transportation, and required tools, equipment, supplies, technology, and books.

(d) Notwithstanding any other law, expenses paid with access awards granted pursuant to subdivision (b) and book and supply awards granted pursuant to subdivision (c) shall be considered allowable educational expenses and shall not be considered for purposes of determining eligibility for state public assistance programs.

(e) Notwithstanding any other law, an award provided pursuant to this article shall be excluded from the calculation of the maximum annual award value for purposes of subparagraph (A) of paragraph (3) of subdivision (b) of Section 69432.9.

(f) The usage of awards provided pursuant to this article shall be consistent with existing statutes and regulations governing eligible expenditures.

(g) Notwithstanding subdivisions (b) and (c), both of the following shall apply for purposes of this article:

(1) The amount appropriated in the annual Budget Act, and any other appropriation for purposes of this article, shall not exceed forty million dollars (\$40,000,000).

(2) The commission shall annually determine if the amount appropriated for each fiscal year is sufficient to cover the cumulative cost of the funding projected to be awarded for the fiscal year pursuant to this article. If the commission determines that the amount appropriated is not sufficient to meet the funding projection for a fiscal year, the commission shall reduce awards proportionately by an equal percentage for all new recipients under this article for that fiscal year.

SEC. 29. Section 69617 of the Education Code is amended to read:

69617. (a) (1) Subject to moneys appropriated by the Legislature for the purposes of this section, the commission shall administer the Golden State Teacher Grant Program. Under the program, the commission shall provide one-time grant funds of up to twenty thousand dollars (\$20,000) to each student enrolled on or after January 1, 2020, in a professional preparation program leading to a preliminary teaching credential, approved by the Commission on Teacher Credentialing, if the student commits to working in a high-need field at a priority school for four years after the student receives the teaching credential.

(2) Funds appropriated for the Golden State Teacher Grant Program in the Budget Act of 2020 and the Budget Act of 2021 shall be available for encumbrance or expenditure by the commission until June 30, 2024.

(3) Grant funds shall be used to supplement and not supplant other sources of grant financial aid.

(b) The one-time grant funds issued pursuant to this section shall not exceed the amount appropriated for the Golden State Teacher Grant Program in the Budget Act of 2020 and the Budget Act of 2021.

(c) (1) A grant recipient shall agree to teach in a high-need field at a priority school for four years and shall have five years, upon completion of the recipient's professional preparation program, to meet that obligation. Except as provided in paragraph (4), a grant recipient shall agree to repay the state 25 percent of the total received grant funds annually, up to full repayment of the received grant funds, for each year the recipient fails to do one or more of the following:

(A) Be enrolled in or have successfully completed a teacher preparation program approved by the Commission on Teacher Credentialing.

(B) While enrolled in the teacher preparation program, maintain good academic standing.

(C) Upon completion of the teacher preparation program, satisfy the state basic skills proficiency test requirement pursuant to Sections 44252 and 44252.5.

(D) Complete the required teaching service following completion of the recipient's teacher preparation program.

(2) Nonperformance of the commitment to teach in a high-need field at a priority school for four years shall be certified by the State Department of Education.

(3) Nonperformance of the commitment to earn a preliminary teaching credential in a high-need field shall be certified by the Commission on Teacher Credentialing to the Student Aid Commission.

(4) Any exceptions to the requirement for repayment shall be defined by the commission, and may include, but shall not necessarily be limited to, counting a school year towards the required four-year teaching requirement if a grant recipient is unable to complete the school year when any of the following occur:

(A) The grant recipient has completed at least one-half of the school year.

(B) The employer deems the grant recipient to have fulfilled the grant recipient's contractual requirements for the school year for the purposes of salary increases, probationary or permanent status, and retirement.

(C) The grant recipient was not able to teach due to the financial circumstances of the school district, including a decision to not reelect the employee for the next succeeding school year.

(D) The grant recipient has a condition covered under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Sec. 2601 et seq.) or similar state law.

(E) The grant recipient was called or ordered to active duty status for more than 30 days as a member of a reserve component of the Armed Forces of the United States.

(d) The commission may use up to 1.5 percent of funding appropriated for purposes of this section for outreach and administration.

(e) For purposes of this section, “high-need field” means any of the following:

- (1) Bilingual education.
- (2) Mathematics or science, technology, engineering, and mathematics (STEM), including computer science and career technical education in STEM areas.
- (3) Science.
- (4) Special education.
- (5) Multiple subject instruction.
- (6) Transitional kindergarten.
- (7) Other subjects as designated annually by the Commission on Teacher Credentialing based on an analysis of the availability of teachers in California pursuant to Section 44225.6.

(f) (1) A “priority school” means a school with 55 percent or more of its pupils being unduplicated pupils, as defined in subdivision (b) of Section 42238.02.

(2) The commission, in coordination with the State Department of Education, shall publish a list of priority schools by January 1 of each year for which money has been appropriated by the Legislature to support grants pursuant to this section.

(g) The commission may adopt regulations necessary for the implementation of the Golden State Teacher Grant program.

(h) The commission shall conduct an evaluation of the Golden State Teacher Grant Program to determine the effectiveness of teacher preparation programs in recruiting, developing support systems for, and retaining special education, bilingual education, and science, technology, engineering, and mathematics teachers and teachers of color. The commission shall provide, with respect to the evaluation, a report to the Department of Finance and the appropriate fiscal and policy committees of the Legislature on or before December 31, 2025, and every two years thereafter.

SEC. 30. Article 9 (commencing with Section 69670) is added to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, to read:

Article 9. Golden State Education and Training Grant Program Act

69670. (a) This article shall be known as the Golden State Education and Training Grant Program Act.

(b) For purposes of this article:

- (1) “Commission” means the Student Aid Commission.
- (2) “Grant” means a Golden State Education and Training Grant awarded pursuant to this article.
- (3) “Institution of higher education” means a campus or extension center of the University of California, the California State University, or the California Community Colleges.
- (4) “Program” means the Golden State Education and Training Grant Program established by this article.

69671. (a) From any funds appropriated by the annual Budget Act or another statute for purposes of this article, the commission shall administer the program, which is hereby established. Under this program, the commission shall make available one-time grants to California resident workers who have been displaced from their employment due to the COVID-19 pandemic, are not already accessing an educational or training program, can demonstrate a financial need by meeting the income and asset qualifications, established pursuant to subdivision (k) of Section 69432.7, to be eligible for a Cal Grant A award, and agree to use the grant funds for any of the following purposes:

(1) To access an educational program or qualified training program at an institution of higher education.

(2) To obtain training from a provider that is included on the state's Eligible Training Provider List.

(b) (1) The commission shall determine the amount of each grant award so that no grant awarded under this article is less than one thousand dollars (\$1,000), and no award exceeds two thousand five hundred dollars (\$2,500). The commission shall consider individual applicant financial need and educational or training program costs in determining individual award amounts. The commission shall prioritize available grants to participants with incomes that are the greatest percentage less than the average monthly family or individual income in calendar years 2018 and 2019 needed to meet the average living wage in the participant's California county or metropolitan statistical area of the state, as computed by the living wage calculation developed by the Massachusetts Institute of Technology.

(2) The commission shall allocate at least one-half of the funding appropriated in the annual Budget Act or another statute for purposes of this article to provide grants to eligible individuals who are caring for at least one dependent child under 18 years of age in the calendar year of the application.

(c) In awarding grants to individuals pursuant to this article, the commission shall do all of the following:

(1) Develop an application for prospective individuals to request a grant. In developing the application, the commission shall consider if the application process can be integrated within the application process for the Free Application for Federal Student Aid and the California Dream Act application.

(2) Verify that an applicant was displaced from the applicant's employment due to the COVID-19 pandemic and meets the income and asset criteria, established pursuant to subdivision (k) of Section 69432.7, to be eligible for a Cal Grant A award.

(3) Require an applicant to self-certify that they have been unable to obtain employment that provides an average monthly wage that is equal to, or greater than, the average monthly wage received from their employment before the COVID-19 pandemic.

(4) Verify that the applicant was not enrolled in a training program, college, or university at the time the applicant was displaced from the applicant's employment.

(5) Ensure that, if a student opts to attend an institution of higher education, the student's grant funding is used to supplement and not supplant other sources of grant financial aid.

(d) Grants allocated by the commission under this article shall be used to do either of the following:

(1) Support the costs to access an educational program offered by an institution of higher education.

(2) Obtain training from a provider that is included on the state's Eligible Training Provider List, and that has a demonstrated track record of having the majority of its participants obtain employment that pays at least a living wage, as calculated by the Massachusetts Institute of Technology within one calendar year of program completion.

(e) An eligible individual may request and receive no more than one grant under this article.

(f) To the extent practicable, applicants determined to be eligible for a grant under this article shall have their grants provided directly to the institution of higher education of their choosing or directly to the applicable training provider included on the state's Eligible Training Provider List.

(g) The commission shall collaborate with institutions of higher education to facilitate the offering of these grant opportunities through campuses of those institutions. As a condition of making these grants available to individuals through institutions of higher education, those institutions shall comply with the applicable programmatic requirements of subdivisions (a) to (f), inclusive, and report the information necessary for the commission to complete the report required pursuant to subdivision (i). To the extent practicable, institutions of higher education shall match the grant awards provided to individuals enrolling in an educational program offered by the institution with any available institutional aid.

(h) The commission may adopt regulations it deems necessary for the implementation of this program. If the commission opts to adopt regulations pursuant to this subdivision, these regulations shall be adopted by December 31, 2021, and shall be adopted as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). For purposes of the Administrative Procedure Act, including Section 11349.6 of the Government Code, the adoption of those regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare, notwithstanding subdivision (e) of Section 11346.1 of the Government Code.

(i) No later than December 31, 2023, the commission shall report to the Legislature, in compliance with Section 9795 of the Government Code, and to the Governor on the number of grants provided to an institution of higher

education on behalf of a grantee or to a training provider included on the state's Eligible Training Provider List on behalf of a grantee.

(j) (1) The commission may use up to 1 percent of the amount appropriated for purposes of this article to support its direct costs in administering the program.

(2) Institutions of higher education administering this grant program through their campuses may use up to 1 percent of the amount allocated to their campuses for purposes of this section to support direct costs to administer the program.

(3) The commission shall provide a portion of funds not to exceed 1 percent of the amount appropriated for purposes of this article to institutions of higher education administering this grant program for purposes of promoting the program and attracting eligible applicants in their respective communities.

(k) The Legislature finds and declares, within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code, that undocumented persons shall be eligible to receive grants under this article.

(l) It is the intent of the Legislature to appropriate state funding in the annual Budget Act or another statute to support the provision of a grant award to any eligible resident who meets, or could meet in a future year, the requirements for exemption from nonresident tuition pursuant to subdivision (a) of Section 68130.5.

SEC. 31. The heading of Article 18 (commencing with Section 69950) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code is amended to read:

Article 18. Learning-Aligned Employment Program

SEC. 32. Section 69950 of the Education Code is repealed.

SEC. 33. Section 69950 is added to the Education Code, to read:

69950. (a) As used in this article, unless the context requires otherwise, the following definitions apply:

(b) "Program" means the Learning-Aligned Employment Program created pursuant to this article.

(c) "Public postsecondary educational institution" or "institution" means a campus of the University of California, the California State University, or the California Community Colleges.

SEC. 34. Section 69951 of the Education Code is amended to read:

69951. The Learning-Aligned Employment Program is hereby created to provide eligible college and university students with the opportunity to earn money to help defray their educational costs, while gaining education-aligned, career-related experience. The program shall be administered by the commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges. The Legislature finds that the program furthers the

interests of the state, and specifically lessens the burdens of government by ensuring eligible college and university students can pursue higher education in the state.

SEC. 35. Section 69952 of the Education Code is amended to read:

69952. (a) A postsecondary educational institution currently eligible to participate in state-funded student financial aid programs pursuant to this chapter or in federal financial aid programs is eligible and strongly encouraged to participate in the program.

(b) Before participating in the program, each institution shall sign an institutional agreement with commission acknowledging its willingness to administer the program pursuant to this article and guidance developed by the commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges. The agreement shall include the procedures that the institution shall use to ensure that each learning-aligned employment position is related to the student's area of study or career interests.

(c) Each participating public postsecondary educational institution shall be required, as a condition of participation in the program, to comply with such auditing or other fiscal reporting requirements as the commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges, may establish. These requirements shall be applied by the commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges, so as to ensure that no payments received pursuant to this article are applied to the general aid or support of the institution.

SEC. 36. Section 69954 of the Education Code is amended to read:

69954. All of the following entities shall be eligible to employ students participating in the program:

(a) Research centers and institutions operated by public postsecondary educational institutions, if their learning-aligned employment opportunities provide participating students with direct opportunities to participate in the research that is undertaken by the respective research centers and institutions.

(b) Public schools operated by school districts, county superintendents of schools, the Department of the Youth Authority, or the department.

(c) Nonsectarian, nonpolitical organizations or corporations, whether nonprofit or for-profit enterprises licensed to conduct business in the state, if they are capable of providing participating students with full-time employment opportunities, or opportunities to connect with other employers capable of providing participating students with full-time employment opportunities, within their areas of study after graduation.

SEC. 37. Section 69956 of the Education Code is amended to read:

69956. (a) A student from an underrepresented background satisfying all of the following criteria shall be eligible to participate in the program:

(1) Enrollment on at least a half-time basis at a participating public postsecondary educational institution.

(2) Resident classification pursuant to Part 41 (commencing with Section 68000).

(3) Demonstrated maintenance of satisfactory academic progress in a program leading to a degree or a certificate, as determined by the public postsecondary educational institution in which the student is enrolled, applying standards of eligibility for federal financial aid. For purposes of this determination, homelessness, as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are unable to meet the requirements deemed to constitute “satisfactory academic progress” at that institution that may be considered by the institution to alter or excuse compliance with the progress requirements.

(4) Demonstrated financial need, as determined by the financial aid office of the institution in which the student is enrolled pursuant to the methodologies approved by the United States Department of Education for use in awarding funds provided under Title IV of the federal Higher Education Act of 1965, as amended. If individual circumstances affect the ability of the student or the student’s family to contribute to the student’s total financial resources, the financial aid administrator may make reasonable individualized adjustments to the computed total applicant resources.

(b) Each participating public postsecondary educational institution shall prioritize for available learning-aligned employment opportunities under the program an eligible student who is a first generation college student, a current or former foster youth, homeless, or at risk of being homeless. Each participating institution shall further prioritize for available learning-aligned employment opportunities an eligible student meeting this priority criteria who is also majoring in a science, technology, engineering, or mathematics discipline.

SEC. 38. Section 69958 of the Education Code is amended to read:

69958. (a) Each participating public postsecondary educational institution shall collaborate with local employers to identify learning-aligned employment opportunities that are located near the institution, aligned with the areas of study offered by the institution, and aligned with an eligible student’s area of study. Each learning-aligned employment position identified by an institution shall be reviewed by the appropriate institution’s staff to determine whether it satisfies all of the conditions specified in Section 69960.

(b) Once the public postsecondary educational institution has identified a learning-aligned employment position, the employer and the institution shall execute a written agreement that confirms the employer’s eligibility to participate in the program and its willingness to comply with all program requirements, and specifies the responsibilities of each of the parties. The

agreement shall be subject to annual renewal by mutual agreement of the institution and the employer.

(c) Following execution of the agreement pursuant to subdivision (b), the employer may interview prospective students. The institution shall provide the employer and each applicant for the learning-aligned employment position with adequate information to facilitate a student's potential employment. If the priorities specified in Section 69959 have been met, the employer may indicate the employer's hiring preferences. An employer shall not discriminate between applicants on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, or subject any applicant to any other discriminatory practices prohibited by state or federal law.

SEC. 39. Section 69959 of the Education Code is amended to read:

69959. Both of the following priorities shall be followed at the time of job referral and placement:

(a) A student shall only be placed in an educationally beneficial position that relates to the student's area of study, career objective, or the exploration of career objectives.

(b) The program shall include and emphasize placements for students with employers that are capable of providing them with full-time employment opportunities, or opportunities to connect with other employers that are capable of providing them with full-time employment opportunities, within their areas of study after graduation.

SEC. 40. Section 69960 of the Education Code is amended to read:

69960. The institution shall assure that each learning-aligned employment position meets all of the following conditions:

(a) The position shall be educationally beneficial or related to a particular career interest or the exploration of career options.

(b) The work performed by the student shall not be related to the activities of any sectarian organization or to any partisan or nonpartisan political activities.

(c) The employment of a learning-aligned employment student shall not displace workers currently employed by the participating employer, or impair existing contracts for services.

(d) The learning-aligned employment position shall not violate any applicable collective bargaining agreements, or fill any vacancies due to a labor dispute.

(e) The student shall be paid at a comparable rate to that paid for comparable positions within the employing organization. If the employing organization has no comparable position, the student shall be paid at a rate comparable to that paid by other organizations in the field for work involving comparable duties and responsibilities. The positions shall be compared on the basis of the nature of the work performed and the background and skills required for the position, and not upon the employee's part-time or student status.

(f) The number of hours of learning-aligned employment the student is allowed to work shall be determined by each public postsecondary educational institution in accordance with its standards and practices, taking into consideration the extent of the student's financial need and the potential harm of the combination of work and study hours on a student's satisfactory academic progress. The employer shall provide the institution with an accurate accounting of hours worked and wages earned.

(g) The total compensation received by the student shall not exceed the total amount authorized by the institution.

(h) The employer shall provide the student with reasonable supervision.

(i) Funds appropriated under this article shall not supplant any state, federal, or institutional funds used to support existing paid positions for students in profit or nonprofit organizations.

SEC. 41. Section 69962 of the Education Code is amended to read:

69962. A participating institution shall do both of the following:

(a) Develop partnerships with employers willing to contribute resources toward a percentage share of student compensation to be paid by the employer and by the program, respectively.

(1) (A) For learning-aligned employment positions with public educational institutions or nonprofit corporations, the program shall provide no more than 90 percent of the student's compensation.

(B) Notwithstanding subparagraph (A), if the direct employer is the University of California, the California State University, the California Community Colleges, or one of its respective campuses, the program may provide 100 percent of the student's compensation.

(2) For learning-aligned employment positions with for-profit employers, the program shall provide no more than 50 percent of the student's compensation.

(b) For each learning-aligned employment position, maintain all necessary records, including, but not limited to, need analysis documents, employer agreements, financial aid award documents, time sheets, and records of payments provided to the student.

SEC. 42. Section 69963 of the Education Code is amended to read:

69963. A participating public postsecondary educational institution is strongly encouraged to develop competency-based educational opportunities in order to grant academic credit for work performed in a learning-aligned employment position.

SEC. 43. Section 69964 of the Education Code is amended to read:

69964. (a) The program may include summer learning-aligned employment opportunities in order to provide learning-aligned employment positions for eligible students who may find it difficult to locate meaningful employment because of a rigorous academic program that does not allow them to work during the academic year or because they are required to participate in an intensive work experience that satisfies academic requirements.

(b) In addition to meeting the criteria specified in Section 69956, to be eligible to participate in a summer learning-aligned employment program

opportunity, a student shall be enrolled at least half-time in summer courses required for completion of a degree or certificate, or accepted for enrollment on at least a half-time basis for the following normal academic term.

SEC. 44. Section 69965 of the Education Code is repealed.

SEC. 45. Section 69966 of the Education Code is repealed.

SEC. 46. Section 69967 of the Education Code is amended to read:

69967. (a) The commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges, shall do all of the following:

(1) Develop and post on its internet website any necessary programmatic policies and guidelines to assist participating employers and public postsecondary educational institutions to operate the program.

(2) Develop processes to facilitate public postsecondary educational institution compliance with the priorities stated in Section 69959.

(3) Develop processes to facilitate the monitoring of institutional expenditures to ensure proper allocation and use of program funds.

(b) At the close of each fiscal year, in a manner to be determined by the commission, the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges shall compile data regarding the population served by the program by their respective campuses during that fiscal year and provide the data to the commission.

(c) The office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges shall review the administrative practices of each of their respective participating campuses to ensure compliance with program requirements. The office of the President of the University of California, the office of the Chancellor of the California State University, and office of the Chancellor of the California Community Colleges are encouraged to use existing institutional compliance and auditing processes to verify program compliance.

SEC. 47. Section 69968 of the Education Code is repealed.

SEC. 48. Section 69969 of the Education Code is repealed.

SEC. 49. Section 69969 is added to the Education Code, to read:

69969. (a) Funds appropriated in the annual Budget Act or another statute for purposes of the program shall be provided to the commission for allocation to participating public postsecondary educational institutions based on their share of students receiving a federal Pell Grant in the most recent prior fiscal year for which data is available for all program participants.

(b) A participating public postsecondary educational institution may use no more than 5 percent of the funds it receives under the program on its administrative costs of participating in the program.

(c) The commission may use up to one-half of 1 percent of the funds appropriated for purposes of this article on the costs of administering the program.

(d) (1) Funds appropriated in the annual Budget Act or another statute for purposes of the program shall be available for encumbrance and expenditure by participating campuses until June 30, 2031.

(2) (A) For the 2021–22 fiscal year, participating campuses of a participating public postsecondary educational institution are expected to collaborate with local employers to identify learning-aligned employment positions pursuant to section 69958.

(B) Commencing no later than the 2022–23 fiscal year, participating campuses of a participating public postsecondary educational institution are expected to enable participating eligible students to access available learning-aligned employment opportunities identified pursuant to the requirements of this article.

SEC. 50. Section 69969.5 of the Education Code is repealed.

SEC. 51. Section 69996.2 of the Education Code is amended to read:

69996.2. For the purposes of this article, unless the context requires otherwise, the following definitions apply:

(a) “Account” means a Scholarshare 529 account established pursuant to this article under Article 19 (commencing with Section 69980), or other child savings plan where applicable and as determined by the board.

(b) “Beneficiary” is an eligible child receiving funds under the program.

(c) “Board” means the Scholarshare Investment Board created pursuant to Section 69984.

(d) “Enhanced deposit” means an initial or supplemental contribution into a KIDS Account or another plan option determined by the board pursuant to Section 69996.9.

(e) “Fund” means the California Kids Investment and Development Savings Program Fund established pursuant to subdivision (a) of Section 69996.6.

(f) “Institution of higher education” has the same meaning as “eligible educational institution,” as provided in Section 529(e)(5) of the Internal Revenue Code.

(g) “Internal Revenue Code” means the Internal Revenue Code of 1986, as it is amended from time to time, if, as determined by the board, the amendment is consistent with the purposes of this article.

(h) “KIDS Account” means an account in which designated funding for eligible children is held.

(i) “Low-income households” means households with a total annual adjusted gross income less than seventy-five thousand dollars (\$75,000) or households identified by the board by other means as low-income for purposes of the program.

(j) “Participant” means a parent or legal guardian of an eligible child, or a parent or legal guardian of a child described in subdivision (i) of Section 69996.3, or any private individual or entity who contributes moneys to the program.

(k) “Program” means the California Kids Investment and Development Savings Program established pursuant to this article.

(l) “Qualified higher education expenses” means the expenses of attendance at an institution of higher education, as provided in Section 529(e)(3) of the Internal Revenue Code. Notwithstanding Section 529(c)(7) of the Internal Revenue Code, “qualified higher education expenses” shall not include any tuition expenses in connection with enrollment or attendance at an elementary or secondary public, private, or religious school.

(m) “Seed deposit” means an initial contribution into a KIDS Account for a child born on or after a date determined by the board.

SEC. 52. Section 69996.3 of the Education Code is amended to read:

69996.3. (a) (1) Each child born on or after a date determined by the board pursuant to paragraph (2) who is a California resident at the time of birth is eligible for the program.

(2) The date designated by the board for which eligibility commences shall be no later than July 1, 2022.

(b) No later than 90 days after a birth certificate is registered for a child described in subdivision (a), the State Department of Public Health shall provide the board with identifiable birth data for the child in a file format as defined by the board. The birth data shall include the child’s name and birth date and the name and contact information of each parent of the child, including the parent’s street address and, if provided to the department, the parent’s mobile telephone number and email address. In addition, upon request by the board, the department shall include, in the birth data it provides to the board, information collected pursuant to subparagraph (C) of paragraph (2) of subdivision (a) of Section 102426 of the Health and Safety Code. The department may provide additional identifiable birth data to the board, upon request, and upon a determination by the State Registrar, in consultation with the board, that the data is necessary for administration of the program. The birth data is confidential and shall not be disclosed except as necessary for the program. No more than 90 days after receiving the birth data from the department, the board shall notify each parent of each eligible child about the program. The notification shall include information on all of the following:

(1) How the parent may opt out of the program.

(2) The KIDS Account opened for the child pursuant to subdivision (f).

(3) How the parent may establish a separate account pursuant to Article 19 (commencing with Section 69980) and additional financial incentives provided pursuant to that article.

(c) The board shall make a child’s designated balance in a KIDS Account viewable by the child’s parent or legal guardian through a secured internet link.

(d) The board shall establish rules and regulations for a program recipient child, and the child’s parents or legal guardians, to be notified of the moneys deposited and accrued in the child’s KIDS Account, and rules and regulations regarding the establishment and operation of program components, including, but not limited to, the claims process, necessary documentation, deadlines for the claims, an appeals procedure, and any forfeiture procedures. A KIDS Account recipient child and each of the child’s parents or legal guardians

shall be informed of the establishment of the child's KIDS Account, provided information on how the parent or legal guardian may establish a separate account pursuant to Article 19 (commencing with Section 69980), and provided information on opportunities for financial incentives provided pursuant to that article.

(e) The board shall translate program notifications and information provided pursuant to subdivisions (b) to (d), inclusive, into languages pursuant to Section 7295.2 of the Government Code.

(f) Upon appropriation by the Legislature, the board shall establish one or more accounts and shall make a separately accounted-for seed deposit from the fund into a KIDS Account established within an account in an amount determined by the board. Each seed deposit shall be designated for a particular child for whom the board receives birth data pursuant to subdivision (b), if no parent or legal guardian has opted that child out of the program. Moneys in a KIDS Account designated for a child, including any investment earnings attributed to the amount of the child's seed deposit since the date of the deposit as calculated by the board, shall be used for the purpose of providing awards for qualified higher education expenses associated with the attendance of the child at an eligible institution of higher education. Each seed deposit shall be at least twenty-five dollars (\$25). The board may provide additional financial incentives designated for a child into a KIDS Account if the parent or legal guardian of the child engages with the KIDS Account by verifying receipt of information provided pursuant to paragraph (2) of subdivision (b), establishing a separate account pursuant to Article 19 (commencing with Section 69980), or engaging with the KIDS Account by other means approved by the board.

(g) Upon receiving documentation of a child's enrollment as a student at an institution of higher education, and the student self-certifying that they have resided in the state for at least one year immediately preceding the payment of qualified higher education expenses on the student's behalf, the board shall make a payment to that institution in the amount of the seed deposit, enhanced deposit, if applicable, and any additional financial incentives designated for the child pursuant to subdivision (f), plus any investment earnings attributed to that amount since the date of that deposit as calculated by the board, for qualified higher education expenses associated with the child's attendance at that institution.

(h) Subject to available money in the fund, the board may provide additional incentives from the fund for children participating in the program, including, but not limited to, incentives targeting low-income households.

(i) (1) Subject to available funding, a parent or legal guardian, residing in California, of a child who meets the criteria in paragraph (2) may apply to the board to enroll the child into the program. Subject to available funding, the enrollee shall be eligible for any incentives described in subdivision (h), as applicable, but is not eligible for a seed deposit.

(2) The child is a current California resident under six years of age who was both of the following:

(A) Born on or after the date designated by the board for which eligibility commences.

(B) Not a California resident at the time of birth.

(j) (1) A KIDS Account established pursuant to this article, and its investment earnings, shall remain assets of, and owned by, the state until used for the payment of qualified higher education expenses at an institution of higher education, and funds shall remain invested until they are used for the purposes authorized by this article or until the recipient achieves 26 years of age, whichever occurs first. If a beneficiary does not use any portion, or all, of the moneys intended for the beneficiary in a KIDS Account for a qualified higher education expense for any reason, including the death or disability of the beneficiary, before the beneficiary turns 26 years of age, all contributions made for the beneficiary into the KIDS Account and any earnings from those moneys shall be forfeited and deposited into the fund for the program.

(2) Notwithstanding paragraph (1), subject to available funding, the board may establish an appeal process to allow a beneficiary to use the moneys designated for the beneficiary in a KIDS Account after the beneficiary turns 26 years of age.

(3) Moneys, less applicable penalties, collected pursuant to Section 529 of the Internal Revenue Code not used within the time period described in paragraph (1) shall revert to the fund after the payment of any amount determined to be due to the federal government as a result of the reversion.

(4) All contributions made into a KIDS Account for a child who has opted out of the program pursuant to subdivision (b), including any investment earnings attributed to the amount of the child's seed deposit since the date of the deposit as calculated by the board, shall be forfeited and deposited into the fund for the program in a timely manner.

(k) The board shall encourage each parent and legal guardian of a beneficiary, including each parent and legal guardian of a child who applies to enroll the child into the program as a beneficiary pursuant to subdivision (i), to establish a separate account pursuant to Article 19 (commencing with Section 69980). The board shall provide assistance on how to establish the separate account.

(l) The board may use up to 5 percent of state appropriations provided for purposes of the program for administrative costs. Unless otherwise specified in the annual Budget Act, this subdivision shall not apply to any one-time or ongoing local assistance funds first appropriated in support of the program beginning in the 2021–22 fiscal year.

SEC. 53. Section 69996.6 of the Education Code is amended to read:

69996.6. (a) The California Kids Investment and Development Savings Program Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, except for moneys derived from the federal American Rescue Plan Act, moneys in the fund shall be continuously appropriated, without regard to fiscal years, to the board for the program. The fund shall be the initial repository of all appropriations,

gifts, or other financial assets received by the board in connection with operation of the program.

(b) (1) Subject to available funding, the program shall be implemented on or before July 1, 2022. The board may establish an implementation timeline for the program based on available funding. If the board does not secure adequate funds to implement the program before July 2, 2022, program implementation may be delayed while the board makes good faith efforts to secure necessary funding. The board may accept gifts, grants, awards, matching contributions, interest income, and appropriations from individuals, businesses, state and local governmental entities, and third-party sources for the program on terms the board deems advisable.

(2) Before the program is implemented and throughout the program's operation, the board may authorize a county, city, nonprofit organization, or any other entity operating a local child savings account program to provide input to the program established pursuant to this article. The input may include, but is not limited to, information on any of the following:

- (A) Infrastructure and systems development.
- (B) Outreach and coordination with local child savings account programs.
- (C) Program incentives to promote equity.
- (D) Administrative fees and caps.
- (E) Contribution strategies.
- (F) Program accessibility, including language, identification, and banking access.

(c) On or before June 30, 2022, and annually thereafter, the board shall report to the Department of Finance and the Legislature, pursuant to Section 9795 of the Government Code, information pertaining to the program's implementation. The report shall include, at a minimum, all of the following:

(1) Detailed program expenditure information, including the amount of funds expended to establish KIDS Accounts pursuant to this article in the previous five fiscal years.

(2) The number of KIDS Accounts opened and state and nonstate contributions made to KIDS Accounts.

(3) Information about how parents were notified pursuant to subdivision (b) of Section 69996.3.

(4) The number of parents or legal guardians who engage with KIDS Accounts by verifying receipt of information provided to them pursuant to paragraph (2) of subdivision (b) of Section 69996.3, establishing separate accounts pursuant to Article 19 (commencing with Section 69980), or engaging with KIDS Accounts by other means approved by the board.

(5) A description of the board's efforts and success in soliciting philanthropic or nonstate money to support the program.

(6) A description of the board's marketing of the program.

(7) The rate of investment return earned by the money authorized by this article in the previous five fiscal years.

(8) To the extent that information is available and can be disclosed without providing any opportunity to associate the information with

particular individuals, the board shall include information on the ethnicity, gender, and family income of account recipients.

(9) Recommendations for improving the program.

SEC. 54. Section 69996.7 is added to the Education Code, immediately following Section 69996.6, to read:

69996.7. (a) Funds appropriated pursuant to Schedule 1 of Item 0954-162-8506 of Section 2.00 of the Budget Act of 2021 shall be used to support program enhanced deposits and to establish KIDS Accounts for eligible children who do not already have a KIDS Account established. For the 2021–22 fiscal year, funds appropriated pursuant to Provision 2 of Item 0954-101-0001 of Section 2.00 of the Budget Act of 2021 shall be used to support program enhanced deposits and to establish KIDS Accounts for eligible children that are ineligible to receive funds appropriated pursuant to Schedule 1 of Item 0954-162-8506 of Section 2.00 of the Budget Act of 2021. Commencing with the 2022–23 fiscal year, funds appropriated pursuant to Provision 2 of Item 0954-101-0001 of Section 2.00 of the annual Budget Act shall be used to support program enhanced deposits and to establish KIDS Accounts for eligible children who do not already have a KIDS Account established.

(b) All assets of the fund and moneys allocated to individual KIDS Accounts shall be considered to be owned by the state until used for the payment of qualified higher education expenses at an institution of higher education.

(c) Deposits made to the fund or disbursements from the fund allocated to individual participant KIDS Accounts shall be invested through a Scholarshare 529 account or through another investment plan determined by the board.

(d) This article shall not be construed to prevent any child from seeking private or other funding sources to supplement the amount of funds deposited in the child's KIDS Account.

(e) Notwithstanding any other law, funds deposited and investment returns accrued in a KIDS Account established pursuant to this article shall augment and not supplant student financial aid from other public sources, and shall not be considered when calculating eligibility for student financial aid.

(f) Notwithstanding any other law, funds deposited and investment returns accrued in a KIDS Account established pursuant to this article and claimed by a recipient pursuant to this article shall be exempt from state income tax liability.

(g) To the extent permissible under federal law, funds deposited and investment returns accrued in a KIDS Account established pursuant to this article shall not be considered in the federal needs analysis for student financial aid, as they shall be considered an asset of the state until used for the payment of qualified higher education expenses at an institution of higher education.

SEC. 55. Section 69996.8 is added to the Education Code, to read:

69996.8. (a) The board may establish rules and regulations to ensure that money in a KIDS Account established pursuant to this article is

disbursed directly to the institution of higher education indicated on the award recipient's claim form. These rules and regulations, if established, shall ensure that the program meets all applicable criteria for federal tax-deferral benefits, federal tax-exempt benefits, or both.

(b) Moneys in the fund or in KIDS Accounts authorized under this article are nontransferable to any person other than the award recipient or any other entity than the institution of higher education indicated on the award recipient's claim form, and may only be used for the purposes stated in this article. Moneys in the fund or in KIDS Accounts authorized by this article shall not be pledged as collateral for any loan.

(c) The board shall request each KIDS Account recipient or their parent or legal guardian to voluntarily report personal information about the award recipient, including, but not limited to, ethnicity, gender, and family income. The board shall compile and retain that information in a confidential manner so that the personal information of any award recipient is not publicly disclosed in a manner that may be associated with a particular individual.

SEC. 56. Section 69996.9 is added to the Education Code, to read:

69996.9. (a) (1) For the 2021–22 fiscal year, through the program, all of the following shall occur:

(A) Each pupil entering grades 1 to 12, inclusive, in the 2021–22 fiscal year who meets the requirements to be considered an unduplicated pupil for purposes of paragraph (1) of subdivision (b) of Section 2574 or paragraph (1) of subdivision (b) of Section 42238.02 and who is enrolled at a school district, public charter school, or other local educational agency, shall have a KIDS Account established on the pupil's behalf, unless the pupil's KIDS Account has already been established pursuant to Section 69996.3, and shall receive an enhanced deposit into the pupil's KIDS Account in the amount of five hundred dollars (\$500).

(B) In addition to the amount allocated pursuant to subparagraph (A), the KIDS Account of each eligible pupil who is also a foster youth, as defined under subdivision (b) of Section 42238.01, shall receive an enhanced deposit of an additional five hundred dollars (\$500).

(C) In addition to the amount allocated pursuant to subparagraphs (A) and (B), the KIDS Account of each eligible pupil who is also a homeless pupil meeting the definition of "homeless children and youths" in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)) shall receive an enhanced deposit of an additional five hundred dollars (\$500).

(2) Commencing with the 2022–23 fiscal year, through the program, all of the following shall occur:

(A) Each pupil who meets all of the following conditions shall have a KIDS Account opened on their behalf, unless their account has already been established pursuant to Section 69996.3, and shall receive an enhanced deposit into their KIDS Account in the amount of five hundred dollars (\$500):

(i) The pupil is entering first grade in the applicable fiscal year.

(ii) The pupil meets the requirements to be considered an unduplicated pupil for purposes of paragraph (1) of subdivision (b) of Section 2574 or paragraph (1) of subdivision (b) of Section 42238.02.

(iii) The pupil is enrolled at a school district, public charter school, or other local educational agency.

(B) In addition to the amount allocated pursuant to subparagraph (A), the KIDS Account of each pupil who meets the requirements of subparagraph (A) and is also a foster youth, as defined under subdivision (b) of Section 42238.01, shall receive an enhanced deposit of an additional five hundred dollars (\$500).

(C) In addition to the amount allocated pursuant to subparagraphs (A) and (B), the KIDS Account of each pupil who meets the requirements of subparagraph (A) and is also a homeless pupil under the definition of “homeless children and youths” in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)) shall receive an enhanced deposit of an additional five hundred dollars (\$500).

(D) For pupils for whom a KIDS Account has already been established pursuant to Section 69996.3 and who are also eligible for an enhanced deposit pursuant to this paragraph, the enhanced deposit shall be deposited in the KIDS Account in which funding for that pupil is currently held.

(3) A pupil who receives an enhanced deposit into their KIDS Account pursuant to paragraph (1) or (2) may only have one enhanced deposit made into their existing or newly established KIDS Account pursuant to this article. A pupil shall not have more than one KIDS Account established for them pursuant to this article.

(b) (1) The board shall collaborate with the State Department of Education, or other relevant governmental agencies, to identify eligible pupils for the purpose of establishing KIDS Accounts or making an enhanced deposit into existing KIDS Accounts pursuant to this section. To the extent feasible, the State Department of Education shall annually provide necessary data using census day data in a secure manner for the board to fulfill its obligations pursuant to this article, including, but not necessarily limited to, eligible pupils’ names, pupil identification, birth dates, grade levels, contact information of parents or legal guardians, and eligibility information. For purposes of this subdivision, the information received by the board shall be considered necessary to facilitate the establishment or enhancement of KIDS Accounts, or the establishment of a notification process for parents or legal guardians of eligible pupils.

(2) The board shall comply with federal and state laws to protect individual privacy, including, but not limited to, the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code) and all of the following federal statutes:

(A) The Family Educational Rights and Privacy Act of 1974 (Public Law 93-380, as amended).

(B) The Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, as amended).

(C) The Higher Education Act of 1965 (Public Law 89-329, as amended).

(3) Notwithstanding any other law, individual records or source data associated with the establishment of a KIDS Account pursuant to this article shall not be subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

(c) The Legislature finds and declares that undocumented persons are eligible for KIDS Accounts within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code.

(d) It is the intent of the Legislature to appropriate state funding in the annual Budget Act to support the establishment of a KIDS Account for any eligible pupil who meets, or could meet in a future year, the requirements to be exempt from nonresident tuition pursuant to subdivision (a) of Section 68130.5.

SEC. 57. Section 70022 of the Education Code is amended to read:

70022. (a) (1) Subject to an available and sufficient appropriation, an undergraduate student enrolled in the California State University or the University of California, or a community college student enrolled in upper division coursework of a community college baccalaureate program, described in Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7, who meets the requirements of paragraph (3) is eligible for a scholarship award as described in paragraph (2).

(2) (A) For the 2013–14 to the 2021–22 academic year, inclusive, except as provided in paragraphs (4) and (5), an eligible student shall receive a scholarship award in an amount that, combined with other federal, state, or institutionally administered student grants or fee waivers received by an eligible student, is up to 40 percent of the amount charged to that student in that academic year for mandatory systemwide tuition and fees, or for an eligible community college student, up to 40 percent of the amount charged to that student in upper division fees for a community college baccalaureate degree program, if all of the requirements in paragraph (3) are met, to the satisfaction of the commission, each academic year.

(B) Commencing with the 2022–23 academic year, except as provided in paragraph (5), an eligible student shall receive a scholarship award in an amount that equals the difference between their cost of attendance as determined by the commission and the sum of the following amounts:

(i) Other federal, state, and institutionally administered student scholarships, grants, or fee waivers.

(ii) Seven thousand eight hundred ninety-eight dollars (\$7,898), reflecting an expected student contribution toward cost of attendance from work earnings or other resources. Commencing with the 2024–25 award year, the commission shall annually adjust this amount based on the percentage change in the minimum wage, pursuant to paragraph (1) of subdivision (c) of Section 1182.12 of the Labor Code.

(iii) Notwithstanding Section 69506, for dependent students with an annual household income exceeding one hundred thousand dollars (\$100,000), 33 percent of the parents' contribution from adjusted available income, as determined using the federal methodology established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1087mm et seq.), and applicable rules and regulations adopted by the commission.

(3) (A) A student shall be eligible to receive an award if all of the following requirements are met, to the satisfaction of the commission, each academic year:

(B) The student's annual household income does not exceed one hundred fifty thousand dollars (\$150,000). For awards distributed for the 2016–17 academic year and subsequent academic years, the commission shall annually adjust the maximum income level set under this subparagraph in accordance with the percentage changes 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. For purposes of this article, annual household income shall be calculated in a manner that is consistent with the requirements applicable to the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program (Chapter 1.7 (commencing with Section 69430)) and Section 69506.

(C) Beginning with awards distributed in the 2015–16 academic year, the student's household asset level shall not exceed one hundred fifty thousand dollars (\$150,000). For awards distributed in the 2016–17 academic year and subsequent academic years, the commission shall annually adjust the maximum household asset level set under this subparagraph in accordance with the percentage changes 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. For purposes of this article, student's household asset level shall be calculated in a manner that is consistent with the requirements applicable to the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program (Chapter 1.7 (commencing with Section 69430)) and Section 69506.

(D) The student satisfies the eligibility requirements for a Cal Grant award pursuant to Section 69433.9, except that a student who is exempt from nonresident tuition under Section 68130.5 shall not be required to satisfy the requirements of subdivision (a) of Section 69433.9.

(E) The student is exempt from paying nonresident tuition.

(F) The student completes and submits a Free Application for Federal Student Aid (FAFSA) application. The FAFSA must be submitted or postmarked by no later than March 2. If the student is not able to complete a FAFSA application, the student may satisfy this subparagraph by submitting an application determined by the commission to be equivalent to the FAFSA application for purposes of this article by March 2.

(G) The student makes a timely application or applications for all other federal, state, or institutionally administered grants or fee waivers for which the student is eligible.

(H) The student maintains satisfactory academic progress in a manner that is consistent with the requirements applicable to the Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Program pursuant to subdivision (m) of Section 69432.7.

(I) The student is pursuing the student's first undergraduate baccalaureate degree or has completed a baccalaureate degree and has been admitted to, and is enrolled in, a program of professional teacher preparation at an institution approved by the Commission on Teacher Credentialing.

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

(4) (A) For each academic year from 2013–14 to 2021–22, inclusive, the percentages specified in paragraph (2) shall be reduced by 0.6-percent increments per one thousand dollars (\$1,000) of annual household income in excess of one hundred thousand dollars (\$100,000), to a minimum 10 percent, provided that no scholarship award shall be provided to a student with an annual household income exceeding one hundred fifty thousand dollars (\$150,000). Beginning with award calculations for the 2016–17 academic year, and for subsequent academic years, the commission shall annually adjust the income levels specified in this subparagraph by 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 and shall adjust the incremental reduction accordingly to ensure that a minimum of 10 percent of mandatory systemwide tuition and fees for an academic year are awarded. This reduction shall be in addition to any reduction required by Section 70023.

(B) Notwithstanding subparagraph (A), for each academic year from 2013–14 to 2021–22, inclusive, for any student who qualifies for a scholarship award of at least one dollar (\$1), the minimum annual scholarship amount for full-time enrollment is ninety dollars (\$90).

(5) (A) For the 2014–15, 2015–16, and 2016–17 academic years, the maximum amount of a student's scholarship award shall be 35 percent, 50 percent, and 75 percent, respectively, of the total scholarship award amount that the student would otherwise be eligible to receive.

(B) Commencing with the 2022–23 academic year, the maximum amount of a student's scholarship award shall be determined by the percentage determined pursuant to subparagraph (C) of the total scholarship award amount that the student would otherwise be eligible to receive.

(C) The commission shall annually determine the percentage required for purposes of subparagraph (B) by taking the amount appropriated for the purposes of this program for the applicable award year and dividing that by the sum of the projected amount computed for all eligible students pursuant to subparagraph (B) of paragraph (2) for the applicable award year.

(b) In order for students enrolled in their respective segments to remain eligible to receive a scholarship award under this article, the University of California and the California State University shall not supplant their respective institutional need-based grants with the funds provided for scholarships under this article, and shall maintain their funding amounts at

a level that, at a minimum, is equal to the level maintained for undergraduate students during the 2021–22 academic year.

(c) The University of California and the California State University shall report on the implementation of this article as part of the report made pursuant to Section 66021.1.

(d) A Middle Class Scholarship Program award authorized pursuant to this article 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. For each academic year from 2013–14 to 2021–22, inclusive, an award to a part-time student shall be determined by the proportionate amount charged for systemwide tuition and fees. Commencing with the 2022–23 academic year, an award to a part-time student shall be approximately proportional to the student's unit load, as determined by the commission. A part-time student shall not be discriminated against in the selection of Middle Class Scholarship Program awards. For purposes of this section, "full-time student" and "part-time student" have the same meaning as specified in subdivision (f) of Section 69432.7.

SEC. 58. Section 70023 of the Education Code is amended to read:

70023. (a) For each academic year, the commission shall determine an amount sufficient, when combined with other federal, state, or institutionally administered student scholarships, grants, or fee waivers received by eligible students from other sources, to provide scholarships to eligible students in the amounts described in paragraphs (2), (4), and (5) of subdivision (a) of Section 70022. The University of California, the California State University, and the Office of the Chancellor of the California Community Colleges shall provide the commission with any financial aid data that are necessary for the determination of these amounts.

(b) The commission shall annually determine if the amounts appropriated under this section in each fiscal year are sufficient to cover the costs of the scholarships as projected to be awarded pursuant to the program. If those amounts are not sufficient for this purpose, the scholarships shall be reduced proportionately by an equal percentage for all recipients of scholarships under this article.

(c) The commission may adopt regulations necessary to carry out the purposes of this article under subdivision (b) as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of the Administrative Procedure Act, including Section 11349.6 of the Government Code, the adoption of those regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare, notwithstanding subdivision (e) of Section 11346.1 of the Government Code. Notwithstanding subdivision (e) of Section 11346.1 of the Government Code, any regulation adopted pursuant to this section shall not remain in effect more than 180 days unless the commission complies with all provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.

(d) The unencumbered balance, as of June 30 of each fiscal year, of the amount appropriated from the Middle Class Scholarship Fund pursuant to paragraph (1) of subdivision (e) shall revert to the General Fund.

(e) (1) Upon order of the Director of Finance, the following amounts shall be transferred from the General Fund to the Middle Class Scholarship Fund, and are hereby appropriated to the commission for allocation pursuant to this article:

(A) For the 2014–15 fiscal year, one hundred seven million dollars (\$107,000,000).

(B) For the 2015–16 fiscal year, eighty-two million dollars (\$82,000,000).

(C) For the 2016–17 fiscal year, seventy-one million two hundred forty-four thousand dollars (\$71,244,000).

(D) For the 2017–18 fiscal year, ninety-nine million nine hundred thirty-eight thousand dollars (\$99,938,000).

(E) For the 2018–19 fiscal year, one hundred four million three hundred forty-five thousand dollars (\$104,345,000).

(F) For the 2019–20 fiscal year, one hundred sixteen million five hundred fifty-seven thousand dollars (\$116,557,000).

(G) For the 2020–21 fiscal year, one hundred sixteen million nine hundred fifty-six thousand dollars (\$116,956,000).

(H) For the 2021–22 fiscal year, one hundred seventeen million dollars (\$117,000,000).

(2) An annual appropriation to the commission is hereby established in the amounts and for the fiscal years described in paragraph (1) to carry out the purposes of this section and Section 70022.

(3) Commencing with the 2022–23 fiscal year, the annual appropriation to the commission to carry out the purposes of this section and Section 70022 shall be determined in the annual Budget Act.

(4) It is the intent of the Legislature that any savings realized from changes made to the allocations under this subdivision by a bill providing for appropriations related to the Budget Bill for the 2015–16 fiscal year shall be used to support higher education.

(5) The funds transferred and appropriated pursuant to paragraph (1) shall only be available for encumbrance in the fiscal year in which they are transferred, and the General Fund shall have no liability or any obligation beyond the transfers explicitly authorized in paragraph (1) unless a subsequent transfer or allocation is required pursuant to statute.

(6) In any fiscal year, additional appropriations may be enacted pursuant to statute to carry out the purposes of this article.

(7) (A) Beginning with the Governor's Budget proposal for the 2014–15 fiscal year, and in the Governor's Budget for each fiscal year thereafter, the Department of Finance shall include a fund condition statement for the Middle Class Scholarship Fund for the fiscal year of the proposed budget and the two immediately preceding fiscal years prepared in accordance with existing law.

(B) Upon order of the Director of Finance and for the 2013–14 to 2021–22 fiscal years, inclusive, if the May Revision projects a budget deficit for the

next fiscal year, the amount specified in paragraph (1) for the fiscal year for which the budget deficit is projected may be reduced by up to 33 percent.

(f) Subject to an appropriation in the annual Budget Act for its purposes, the commission may begin implementation of, and establish outreach services relating to, this article.

SEC. 59. Section 76300 of the Education Code is amended to read:

76300. (a) The governing board of each community college district shall charge each student a fee pursuant to this section.

(b) (1) The fee prescribed by this section shall be forty-six dollars (\$46) per unit per semester, effective with the summer term of the 2012 calendar year.

(2) The board of governors shall proportionately adjust the amount of the fee for term lengths based upon a quarter system, and also shall proportionately adjust the amount of the fee for summer sessions, intersessions, and other short-term courses. In making these adjustments, the board of governors may round the per unit fee and the per term or per session fee to the nearest dollar.

(c) For the purposes of computing apportionments to community college districts pursuant to Section 84750.4 or 84750.5, as applicable, the board of governors shall subtract, from the total revenue owed to each district, 98 percent of the revenues received by districts from charging a fee pursuant to this section.

(d) The board of governors shall reduce apportionments by up to 10 percent to any district that does not collect the fees prescribed by this section.

(e) The fee requirement does not apply to any of the following:

(1) Students enrolled in the noncredit courses designated by Section 84757.

(2) California State University or University of California students enrolled in remedial classes provided by a community college district on a campus of the University of California or a campus of the California State University, for whom the district claims an attendance apportionment pursuant to an agreement between the district and the California State University or the University of California.

(3) Students enrolled in credit contract education courses pursuant to Section 78021, if the entire cost of the course, including administrative costs, is paid by the public or private agency, corporation, or association with which the district is contracting and if these students are not included in the calculation of the full-time equivalent students (FTES) of that district.

(f) The governing board of a community college district may exempt special part-time students admitted pursuant to Section 76001 from the fee requirement.

(g) (1) The fee requirements of this section shall be waived for any student who meets all of the following requirements:

(A) Meets minimum academic and progress standards adopted by the board of governors, which fulfill the requirements outlined in this paragraph and paragraphs (2) to (5), inclusive. Any minimum academic and progress standards adopted pursuant to this section shall be uniform across all

community college districts and campuses. These standards shall not include a maximum unit cap, and community college districts and colleges shall not impose requirements for fee waiver eligibility other than the minimum academic and progress standards adopted by the board of governors and the requirements of subparagraph (B).

(B) Meets one of the following criteria:

(i) At the time of enrollment, is a recipient of benefits under the Temporary Assistance for Needy Families program, the Supplemental Security Income/State Supplementary Payment Program, or a general assistance program.

(ii) Demonstrates eligibility according to income standards established by regulations of the board of governors.

(iii) Demonstrates financial need in accordance with the methodology set forth in federal law or regulation for determining the expected family contribution of students seeking financial aid.

(iv) At the time of enrollment, is a homeless youth or a former homeless youth as defined in subdivision (b) of Section 66025.9.

(2) (A) The board of governors, in consultation with students, faculty, and other key stakeholders, shall consider all of the following in the development and adoption of minimum academic and progress standards pursuant to subparagraph (A) of paragraph (1):

(i) Minimum uniform academic and progress standards that do not unfairly disadvantage financially needy students in pursuing their education.

(ii) Criteria for reviewing extenuating circumstances and granting appeals that, at a minimum, take into account and do not penalize a student for circumstances outside the student's control, such as reductions in student support services or changes to the economic situation of the student.

(iii) A process for reestablishing fee waiver eligibility that provides a student with a reasonable opportunity to continue or resume the student's enrollment at a community college.

(B) To ensure that students are not unfairly impacted by the requirements of subparagraph (A) of paragraph (1), the board of governors shall establish a reasonable implementation period that commences no sooner than one year from adoption of the minimum academic and progress standards, or any subsequent changes to these standards, pursuant to subparagraph (A) of paragraph (1) and that is phased in to provide students adequate notification of this requirement and information about available support resources.

(3) It is the intent of the Legislature that minimum academic and progress standards adopted pursuant to subparagraph (A) of paragraph (1) be implemented only as campuses develop and implement the student support services and interventions necessary to ensure no disproportionate impact to students based on ethnicity, gender, disability, or socioeconomic status. The board of governors shall consider the ability of community college districts to meet the requirements of this paragraph before adopting minimum academic and progress standards, or any subsequent changes to these standards, pursuant to subparagraph (A) of paragraph (1).

(4) It is the intent of the Legislature to ensure that a student shall not lose fee waiver eligibility without a community college campus first demonstrating a reasonable effort to provide a student with adequate notification and assistance in maintaining the student's fee waiver eligibility. The board of governors shall adopt regulations to implement this paragraph that ensure all of the following:

(A) Students are provided information about the available student support services to assist them in maintaining fee waiver eligibility.

(B) Community college district policies and course catalogs reflect the minimum academic and progress standards adopted pursuant to subparagraph (A) of paragraph (1) and that appropriate notice is provided to students before the policies are put into effect.

(C) A student does not lose fee waiver eligibility unless the student has not met minimum academic and progress standards adopted pursuant to subparagraph (A) of paragraph (1) for a period of no less than two consecutive academic terms.

(5) The board of governors shall provide notification of a proposed action to adopt regulations pursuant to this subdivision to the appropriate policy and fiscal committees of the Legislature in accordance with the requirements of paragraph (1) of subdivision (a) of Section 70901.5. This notification shall include, but not be limited to, all of the following:

(A) The proposed minimum academic and progress standards and information detailing how the requirements of paragraphs (1) to (4), inclusive, have been or will be satisfied.

(B) How many students may lose fee waiver eligibility by ethnicity, gender, disability, and, to the extent relevant data is available, by socioeconomic status.

(C) The criteria for reviewing extenuating circumstances, granting appeals, and reestablishing fee waiver eligibility pursuant to paragraph (2).

(h) The fee requirements of this section shall be waived for any student who, at the time of enrollment, is a dependent or surviving spouse who has not remarried, of any member of the California National Guard who, in the line of duty and while in the active service of the state, was killed, died of a disability resulting from an event that occurred while in the active service of the state, or is permanently disabled as a result of an event that occurred while in the active service of the state. "Active service of the state," for the purposes of this subdivision, refers to a member of the California National Guard activated pursuant to Section 146 of the Military and Veterans Code.

(i) The fee requirements of this section shall be waived for any student who is the surviving spouse or the child, natural or adopted, of a deceased person who met all of the requirements of Section 68120.

(j) The fee requirements of this section shall be waived for any student in an undergraduate program, including a student who has previously graduated from another undergraduate or graduate program, who is the dependent of any individual killed in the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon or the crash of United Airlines Flight 93 in southwestern Pennsylvania, if that dependent meets

the financial need requirements set forth in Section 69432.7 for the Cal Grant A Program and either of the following applies:

- (1) The dependent was a resident of California on September 11, 2001.
- (2) The individual killed in the attacks was a resident of California on September 11, 2001.

(k) A determination of whether a person is a resident of California on September 11, 2001, for purposes of subdivision (j) shall be based on the criteria set forth in Chapter 1 (commencing with Section 68000) of Part 41 of Division 5 for determining nonresident and resident tuition.

(l) (1) “Dependent,” for purposes of subdivision (j), is a person who, because of the person’s relationship to an individual killed as a result of injuries sustained during the terrorist attacks of September 11, 2001, qualifies for compensation under the federal September 11th Victim Compensation Fund of 2001 (Title IV (commencing with Section 401) of Public Law 107-42).

(2) A dependent who is the surviving spouse of an individual killed in the terrorist attacks of September 11, 2001, is entitled to the waivers provided in this section until January 1, 2013.

(3) A dependent who is the surviving child, natural or adopted, of an individual killed in the terrorist attacks of September 11, 2001, is entitled to the waivers under subdivision (j) until that person attains 30 years of age.

(4) A dependent of an individual killed in the terrorist attacks of September 11, 2001, who is determined to be eligible by the California Victim Compensation Board, is also entitled to the waivers provided in this section until January 1, 2013.

(m) (1) It is the intent of the Legislature that sufficient funds be provided to support the provision of a fee waiver for every student who demonstrates eligibility pursuant to subdivisions (g) to (j), inclusive.

(2) From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to 2 percent of the fees waived pursuant to subdivisions (g) to (j), inclusive. From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to ninety-one cents (\$0.91) per credit unit waived pursuant to subdivisions (g) to (j), inclusive. It is the intent of the Legislature that funds provided pursuant to this subdivision be used to support the determination of financial need and delivery of student financial aid services, on the basis of the number of students for whom fees are waived. It also is the intent of the Legislature that the funds provided pursuant to this subdivision directly offset mandated costs claimed by community college districts pursuant to Commission on State Mandates consolidated Test Claims 99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers). Funds allocated to a community college district for determination of financial need and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 1992–93 fiscal year.

(n) (1) A community college district may use available emergency relief funds provided by the federal government to waive the fee requirements established pursuant to this section for a student who has not paid the fee due to the impacts of the COVID-19 pandemic.

(2) A community college district may use the authorization established pursuant to this subdivision only to waive the fees of students that are unpaid due to the impacts of the COVID-19 pandemic. A participating community college district shall first waive the unpaid fees of low-income students and students from underrepresented communities.

(o) The board of governors shall adopt regulations implementing this section.

SEC. 60. Section 78052 of the Education Code is amended to read:

78052. (a) It is the intent of the Legislature that community college districts develop and implement zero-textbook-cost degrees and develop open educational resources for courses to reduce the overall cost of education for students and decrease the time it takes students to complete degree programs.

(b) For purposes of this section, the following terms have the following meanings:

(1) “Chancellor” means the Chancellor of the California Community Colleges.

(2) “Chancellor’s office” means the Office of the Chancellor of the California Community Colleges.

(3) “Degree” means a zero-textbook-cost degree.

(4) “Open educational resources” means high-quality teaching, learning, and research resources that reside in the public domain or have been released pursuant to an intellectual property license that permits their free use and repurposing by others, and may include other resources that are legally available and free of cost to students. Open educational resources include, but are not limited to, full courses, course materials, modules, textbooks, faculty-created content, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge.

(5) “Zero-textbook-cost degrees” means community college associate degrees or career technical education certificates earned entirely by completing courses that eliminate conventional textbook costs by using alternative instructional materials and methodologies, including open educational resources. For purposes of this paragraph, “zero-textbook-cost degrees” may include a low-cost degree option if a no-cost equivalent option is not available or cannot be developed. Discretionary student printing of instructional materials shall not be considered a cost as part of this program.

(c) Of the funding appropriated in the annual Budget Act to develop and implement degrees, the chancellor shall distribute grants of up to two hundred thousand dollars (\$200,000) to a community college district for each degree developed and implemented within the district that contributes to the overall elimination, or significant lowering, of textbook costs for students and aligns with the conditions for receipt of funds specified in subdivision (d). The chancellor’s office shall ensure that a grant does not

result in the development or implementation of duplicate degrees for a subject matter to avoid duplication of effort and ensure the development and implementation of the greatest number of degrees for the benefit of the greatest number of students. The chancellor's office may distribute the grants in phases, including a planning phase and an implementation phase.

(d) As a condition of receiving funding appropriated in the annual Budget Act to develop and implement degrees, a community college district shall comply with all of the following:

(1) Develop and implement one or more of the following program pathways:

(A) An existing associate degree or career technical education certificate program, prioritizing existing associate degrees for transfer.

(B) A new associate degree or career technical education certificate program that meets one of the following conditions:

- (i) Has a high value in the regional market.
- (ii) Meets an emerging regional business industry need.
- (iii) Has high textbook costs.

(2) In complying with paragraph (1), prioritize the development and implementation of a degree from an existing associate degree for transfer and, to the extent possible, prioritize the adaptation of existing open educational resources through existing open educational resources initiatives, or elsewhere, before creating new content.

(3) Develop degrees with consideration for sustainability after grant funding is exhausted, including how content is updated and presented.

(4) Ensure compliance with the federal Americans with Disabilities Act (Public Law 104-197) and the federal Copyright Act of 1976 (Public Law 94-553).

(5) Develop and implement a minimum of one degree for each grant received.

(6) Develop and implement a degree that other community college districts can use or adapt, and post each degree, and the contents of the degree, on the online clearinghouse of information established pursuant to Item 6870-101-0001 of the Budget Act of 2016, or a successor internet website. All open educational resources used as learning materials for a degree developed pursuant to this section shall be added to the California Digital Open Source Library established in Section 66408. Testing and assessment materials posted online pursuant to this paragraph shall be safeguarded to maintain the integrity of those materials. This paragraph shall not be construed to prohibit faculty from providing sample test and assessment materials to students.

(7) Ensure faculty shall have flexibility to update and customize degree content as necessary within the parameters of this program.

(8) Ensure that the degree developed and implemented is clearly identified in college catalogs and in class schedules.

(9) Provide the chancellor with all legislatively required report data, any planning, progress, and outcome information associated with the grant, and any additional information that the chancellor determines necessary.

(10) Consult with the local academic senate of a college that would implement a degree.

(11) (A) Use a multimember team approach, to develop and implement a degree pursuant to this section, that includes faculty, college administrators, and other content-focused staff, including, but not limited to, librarians, instructional designers, and technology experts, from the campus that would implement the degree, other colleges of the community college system, and interested campuses of the California State University and the University of California.

(B) Grant recipients may use funds to obtain professional development and technical assistance to assist in the development of degrees.

(12) Strive to implement degrees within three academic years of receiving funding, or sooner, as determined by the chancellor's office.

(e) Of the funding appropriated in the annual Budget Act, the chancellor may also distribute grants to a community college district for the development and curation of open educational resources for coursework. The chancellor's office shall determine the amount of a grant for this purpose, but the grant amount shall not exceed twenty thousand dollars (\$20,000).

(f) As a condition of receiving funding appropriated in the annual Budget Act for the development and curation of open educational resources for coursework, a community college district shall comply with all of the following:

(1) Coordinate the development and curation of open educational resources with efforts to develop and implement degrees pursuant to subdivisions (c) and (d).

(2) In instances where the community college district does not receive a grant pursuant to subdivision (c), the community college district shall coordinate the development and curation of open educational resources with existing open educational resources initiatives and degree efforts. In addition, the community college district shall develop and curate open educational resources for coursework to be used for one or more of the following program pathways:

(A) An existing associate degree or career technical education certificate program, prioritizing existing associate degrees for transfer.

(B) A new associate degree or career technical education certificate program that meets one of the following conditions:

(i) Has high value in the regional market.

(ii) Meets an emerging regional business industry need.

(iii) Has high textbook costs.

(3) In complying with paragraph (2), to the extent possible, prioritize the adaptation of existing open educational resources for coursework through existing open educational resources initiatives, or elsewhere, before creating new content.

(4) Ensure compliance with the federal Americans with Disabilities Act (Public Law 104-197) and the federal Copyright Act of 1976 (Public Law 94-553).

(5) Ensure all open educational resources developed pursuant to this subdivision is added to the California Digital Open Source Library established in Section 66408.

(6) Provide the chancellor with all required report data and any planning, progress, and outcome information associated with the grant.

(7) (A) Consult with the local academic senate of a community college that would use open educational resources.

(B) Grant recipients may use funds to obtain professional development and technical assistance to assist in the development and curation of open educational resources for coursework.

(8) Strive to complete development and curation of open educational resources for coursework within two academic years of receiving funding, or sooner, as determined by the chancellor's office.

(g) (1) The chancellor shall, by June 30, 2027, report to the Legislature, the Legislative Analyst's Office, and the Department of Finance on the development and implementation of degrees pursuant to subdivisions (c) and (d), and the development and curation of open educational resources pursuant to subdivisions (e) and (f), including, but not limited to:

(A) The number of degrees developed and implemented and open educational resources developed and curated within each district, disaggregated by college. Degrees shall also be disaggregated by the number of degrees that eliminated textbook costs and the number of degrees that significantly lowered textbook costs.

(B) The estimated annual savings to students.

(C) The number of students who completed a zero-textbook-cost degree program and accessed open educational resources.

(D) Recommendations to increase, expand, or improve the offering of degrees and the use of open educational resources.

(2) A report pursuant to paragraph (1) shall be submitted to the Legislature in compliance with Section 9795 of the Government Code.

(h) (1) Of the funds appropriated in the annual Budget Act for this program, up to 3 percent of the appropriation may be allocated by the chancellor's office to contract with a community college district to administer this program.

(2) The contract between the chancellor's office and the community college district shall reflect all of the following:

(A) The programmatic and administrative responsibilities that will be delegated to the district, including the programmatic requirements identified in subdivisions (c) to (g), inclusive.

(B) A requirement that the contracting district provide prebid conferences, either in person or via webinar, for interested grant applicants.

(C) Technical assistance to grant applicants and grantees.

(3) The contracting community college district may apply for, and receive, a grant to develop and implement a degree and have employees and administrators of the district participate as part of a multimember team approach pursuant to paragraph (11) of subdivision (d). To be eligible to receive a grant, the district shall maintain appropriate and transparent internal

controls and processes to ensure that the district's contracted duties and responsibilities are clearly delineated, identified, and distinguished from the duties and responsibilities conferred upon the district as a grant applicant and recipient.

(4) Upon request of the chancellor's office, the contracted community college district shall provide the chancellor's office with an update on the status of the development and implementation of each degree within the district and the development and curation of open educational resources within the district.

(5) Notwithstanding any other law, a contract between the chancellor's office and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code for the limited purpose of administering the program pursuant to this subdivision.

(i) Of the funds appropriated in the annual Budget Act for this program, funds not awarded in a fiscal year for which funds are appropriated may be awarded in the following fiscal year.

(j) The chancellor's office shall award an initial round of grants no later than January 1 of a fiscal year for which the funds are appropriated.

SEC. 61. Section 84321.62 of the Education Code is amended to read:

84321.62. (a) Notwithstanding any other law that governs the regulations adopted by the Chancellor of the California Community Colleges to disburse funds, the payment of apportionments to community college districts pursuant to Section 84320 shall be adjusted, for the 2020–21 fiscal year, by the following:

(1) For the month of June, three hundred million dollars (\$300,000,000) shall be deferred to July.

(2) For the month of May, three hundred million dollars (\$300,000,000) shall be deferred to July.

(3) For the month of April, three hundred million dollars (\$300,000,000) shall be deferred to July.

(4) For the month of March, three hundred million dollars (\$300,000,000) shall be deferred to August.

(5) For the month of February, two hundred fifty-three million two hundred forty-three thousand dollars (\$253,243,000) shall be deferred to August.

(b) The sum of one billion four hundred fifty-three million two hundred forty-three thousand dollars (\$1,453,243,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for apportionments to community college districts, for expenditure in the 2021–22 fiscal year to be expended in accordance with the applicable schedules of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2020.

(c) Of the funds appropriated in subdivision (b), nine hundred million dollars (\$900,000,000) shall be allocated in July and five hundred fifty-three million two hundred forty-three thousand dollars (\$553,243,000) shall be allocated in August of the 2021–22 fiscal year in satisfaction of the moneys deferred pursuant to subdivision (a).

(d) (1) The chancellor may adjust the monthly schedule described in subdivision (a) for the 2020–21 fiscal year to increase the amount deferred in a specified month if it ensures a shorter time between a deferred payment and repayment.

(2) If adjusting the monthly schedule, the chancellor shall not exceed the total amount of deferred payments described in subdivision (a).

(e) Pursuant to Section 8.28 of the Budget Act of 2020, if the Director of Finance determines that there are sufficient federal funds provided to the state for the 2020–21 fiscal year that may be used to offset the deferral of payments in the amount specified in that section, the Director of Finance shall reduce the amounts reflected in subdivisions (a) to (c), inclusive. In reducing these amounts, the Director of Finance shall first reduce the amounts deferred from any months occurring earliest in the 2020–21 fiscal year.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one hundred forty-four million six hundred five thousand dollars (\$144,605,000) of the appropriation made by subdivision (b) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202, for the 2019–20 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202, for the 2019–20 fiscal year.

(g) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one billion seventy-eight million eight hundred fifty-eight thousand dollars (\$1,078,858,000) of the appropriation made by subdivision (b) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202, for the 2020–21 fiscal year.

(h) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, two hundred twenty-nine million seven hundred eighty thousand dollars (\$229,780,000) of the appropriation made by subdivision (b) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202, for the 2021–22 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202, for the 2021–22 fiscal year.

SEC. 62. Section 84750.4 of the Education Code is amended to read:

84750.4. (a) (1) The board of governors, in accordance with this section, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy

proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(2) It is the intent of the Legislature in enacting this section to adopt a formula for general purpose apportionments that encourages access for underrepresented students, provides additional funding in recognition of the need to provide additional support for low-income students, rewards colleges' progress on improving student success metrics, and improves overall equity and predictability so that community college districts may more readily plan and implement instruction and programs.

(3) It is the intent of the Legislature to determine the amounts appropriated for purposes of this section through the annual Budget Act. This section shall not be construed as limiting the authority of either the Governor to propose, or the Legislature to approve, appropriations for the California Community Colleges programs or purposes.

(4) It is the intent of the Legislature that for the 2020–21 fiscal year, 70 percent of funding for the Student Centered Funding Formula is for the base allocation provided to districts, 20 percent is for the supplemental allocation provided to districts, and 10 percent is for student success allocation provided to districts.

(b) (1) Commencing with the 2018–19 fiscal year, and each fiscal year thereafter, the chancellor's office shall annually calculate a base allocation, a supplemental allocation, and a student success allocation for each community college district in the state pursuant to this section. This calculation applies only to the allocation of credit revenue. Noncredit instruction, and instruction in career development and college preparation full-time equivalent students (FTES) shall be funded pursuant to the requirements of paragraphs (3) and (4), respectively, of subdivision (d) of Section 84750.5, as that section read on January 1, 2018.

(2) For purposes of this section, unless otherwise specified in the annual Budget Act, the cost-of-living adjustment shall be the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year.

(c) For purposes of computing the base allocation, the marginal funding rate for credit revenue per FTES shall be as follows:

(1) For the 2018–19 fiscal year, three thousand seven hundred twenty-seven dollars (\$3,727).

(2) For the 2019–20 fiscal year, four thousand nine dollars (\$4,009).

(3) Commencing with the 2020–21 fiscal year, the rate specified in paragraph (2) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(d) (1) The base allocation shall be computed for each community college district as follows:

(A) Each community college district shall receive a basic allocation based on the number of colleges and comprehensive centers in the community college district that is consistent with the basic allocation formula established by the board of governors pursuant to paragraph (2) of subdivision (d) of Section 84750.5 as of the 2015–16 fiscal year.

(B) Unless otherwise specified in subparagraph (C), each community college district shall receive an allocation based on credit base revenues associated with funded FTES as computed pursuant to subparagraph (A) of paragraph (2) at the rate pursuant to subdivision (c).

(C) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations:

(i) For the 2018–19 fiscal year, as follows:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand seven hundred forty-five dollars (\$3,745).

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand eight hundred eighteen dollars (\$3,818).

(III) For Lassen Community College District, the rate shall be no less than three thousand seven hundred ninety-four dollars (\$3,794).

(IV) For Marin Community College District, the rate shall be no less than four thousand two hundred sixty-one dollars (\$4,261).

(V) For MiraCosta Community College District, the rate shall be no less than three thousand seven hundred thirty-four dollars (\$3,734).

(VI) For San Francisco Community College District, the rate shall be no less than three thousand seven hundred fifty-six dollars (\$3,756).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand seven hundred forty-four dollars (\$3,744).

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand seven hundred seventy-six dollars (\$3,776).

(IX) For South Orange Community College District, the rate shall be no less than three thousand eight hundred twenty-six dollars (\$3,826).

(X) For West Kern Community College District, the rate shall be no less than four thousand nine hundred thirty-four dollars (\$4,934).

(ii) For the 2019–20 fiscal year, as follows:

(I) For Foothill-De Anza Community College District, the rate shall be no less than four thousand twenty-eight dollars (\$4,028).

(II) For Lake Tahoe Community College District, the rate shall be no less than four thousand one hundred seven dollars (\$4,107).

(III) For Lassen Community College District, the rate shall be no less than four thousand eighty-one dollars (\$4,081).

(IV) For Marin Community College District, the rate shall be no less than four thousand five hundred eighty-three dollars (\$4,583).

(V) For MiraCosta Community College District, the rate shall be no less than four thousand sixteen dollars (\$4,016).

(VI) For San Francisco Community College District, the rate shall be no less than four thousand forty dollars (\$4,040).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than four thousand twenty-seven dollars (\$4,027).

(VIII) For Santa Monica Community College District, the rate shall be no less than four thousand sixty-two dollars (\$4,062).

(IX) For South Orange Community College District, the rate shall be no less than four thousand one hundred fifteen dollars (\$4,115).

(X) For West Kern Community College District, the rate shall be no less than five thousand three hundred seven dollars (\$5,307).

(iii) Commencing with the 2020–21 fiscal year, the rates specified in clause (ii) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(2) To calculate the base allocation for each community college district, the chancellor's office shall calculate the three-year rolling average comprised of funded FTES from the current year, the prior year, and the year prior to the prior year, as follows:

(A) Commencing with the 2018–19 fiscal year, the chancellor's office shall compute the sum of annually funded credit FTES from the current year, the prior year, and the year prior to the prior year, and divide the sum by three.

(B) (i) In computing the three-year average pursuant to subparagraph (A), credit FTES associated with enrollment growth proposed in the annual Budget Act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average.

(ii) In computing the three-year average pursuant to subparagraph (A), credit FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be excluded.

(C) The sum of a community college district's computed three-year FTES rolling average and current year funded FTES growth shall be multiplied by a community college district's applicable base allocation funding rate pursuant to subdivision (c), or subparagraph (C) of paragraph (1), as applicable, to compute a community college district's base allocation.

(D) Community college districts are entitled to the restoration of any reductions in their base allocation due to decreases in FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

(E) For the calculation of the three-year rolling average for the base allocation for the 2020–21 fiscal year, the sum of funded credit FTES for the 2019–20 fiscal year, as adjusted for shifts in summer enrollment between fiscal years, may be used in place of funded credit FTES for the 2020–21 fiscal year.

(3) In addition to the amounts computed pursuant to paragraphs (1) and (2), each community college district shall receive an allocation based on credit base revenues associated with funded FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004. FTES generated by students who meet the requirements of subdivision (a) of

Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be multiplied by a community college district's applicable credit revenue rate computed for the 2017–18 fiscal year pursuant to Section 84750.5, as that section read on January 1, 2018, as adjusted for 2018–19 fiscal year cost-of-living adjustment and other base adjustments, and adjusted for the changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(4) The chancellor shall allocate any funding appropriated in the Budget Act for enrollment growth to support the following:

(A) First, for the stated percentage of enrollment growth in the Budget Act and consistent with the growth formula used by the board of governors in the 2015–16 fiscal year.

(B) Second, for the amount of uncapped growth attributable to increases in the amount of a community college district's supplemental allocation.

(C) Third, for the amount of uncapped growth attributable to increases in the amount of a community college district's student success allocation.

(e) Commencing with the 2018–19 fiscal year, a supplemental allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) The marginal funding rate per point for computing a supplemental allocation shall be as follows:

(A) For the 2018–19 fiscal year, nine hundred nineteen dollars (\$919).

(B) For the 2019–20 fiscal year, nine hundred forty-eight dollars (\$948).

(C) (i) Commencing with the 2020–21 fiscal year, the rate specified in subparagraph (B) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) For the calculation of the supplemental allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of paragraphs (2), (3), and (4), may be used in place of data from the 2019–20 fiscal year.

(2) Each community college district shall be granted one point for each student who is a recipient of financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) based on headcount data of students in the prior year.

(3) Each community college district shall be granted one point for each student who is granted an exemption from nonresident tuition pursuant to Section 68130.5, based on headcount data of students in the prior year.

(4) Each community college district shall be granted one point for each student who receives a fee waiver pursuant to Section 76300, based on headcount data of students in the prior year.

(5) For the purposes of calculating the supplemental allocation, the number of students shall be defined as the number of students served by the community college district.

(6) It is the intent of the Legislature that the annual Budget Act fully fund increases in the supplemental allocations computed under this section.

(f) Commencing with the 2018–19 fiscal year, a student success allocation shall be computed for each community college district based on the total

points calculated for each community college district in accordance with all of the following:

(1) (A) (i) The marginal funding rate per point for computing student success allocation revenue shall be as follows:

(I) For the 2018–19 fiscal year, four hundred forty dollars (\$440).

(II) For the 2019–20 fiscal year, five hundred fifty-nine dollars (\$559).

(III) Commencing with the 2020–21 fiscal year, the rate specified in subclause (II) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) (I) Commencing with the 2019–20 fiscal year, to calculate the student success allocation for each community college district, the chancellor's office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor's office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.

(II) For the calculation of the three-year rolling average for the student success allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of subparagraphs (B), (C), (D), (E), and (F), may be used in place of data from the 2019–20 fiscal year.

(B) Each community college district shall be granted, for each student, points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if the student was enrolled in the community college district in the academic year in which the award was granted:

(i) Three points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) Four points for each chancellor's office approved associate degree for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(iii) (I) Two points for each chancellor's office approved credit certificate requiring 18 or more units granted, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(II) Chancellor's office approved credit certificates requiring 16 or more units granted may be used to compute these points if the chancellor's office adopts regulations authorizing the approval and issuance of certificates requiring 16 or more units.

(C) Each community college district shall be granted two points for each student who successfully completes both transfer-level mathematics and English courses within the student's first academic year of enrollment, based

on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(D) (i) Each community college district shall be granted one and one-half points for each student who successfully transfers to a four-year university, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that has not demonstrated a track record of providing its students with a baccalaureate degree that leads to a majority of the private for-profit college's baccalaureate degree program students obtaining a regional living wage within one year of completing their degree program.

(iii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that does not meet the qualifications to offer its students federal financial aid.

(iv) (I) For the 2018–19 fiscal year, the data for this metric shall be compiled using publicly available data on transfer students to in-state private and out-of-state institutions, based upon the definition of transfer students reflected in the Transfer Volume to In-State Private and Out-of-State Baccalaureate Granting Institutions Report from the community college management information system as of January 1, 2019, publicly reported transfer data from the California State University, and publicly reported transfer data from the University of California.

(II) Commencing with the 2019–20 fiscal year, the data for this metric shall be based upon a student meeting the following criteria:

(ia) The student has an enrollment record in a community college district in the year prior to the prior year.

(ib) The student has completed 12 or more semester units, or the equivalent, systemwide through the end of the prior year.

(ic) The student does not have an enrollment record systemwide in the prior year.

(id) The student enrolled in a four-year university in the prior year.

(ie) The student has completed 12 or more semester units, or the equivalent, in the community college district in the year prior to the prior year.

(E) Each community college district shall be granted one point for each student who successfully completes nine or more career technical education units, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(F) Each community college district shall be granted one point for each student who obtains a regional living wage within one year of community college completion, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(2) (A) (i) Each community college district shall also be granted additional points for an equity component of the student success allocation.

The marginal funding per point for the equity component of the student success allocation revenue shall be as follows:

- (I) For the 2018–19 fiscal year, one hundred eleven dollars (\$111).
- (II) For the 2019–20 fiscal year, one hundred forty-one dollars (\$141).
- (III) Commencing with the 2020–21 fiscal year, the rate specified in subclause (II) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.
 - (i) Commencing with the 2019–20 fiscal year, to calculate the equity component of the student success allocation for each community college district, the chancellor’s office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor’s office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.
 - (II) For the calculation of the three-year rolling average for the equity component of the student success allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of subparagraphs (B) and (C), may be used in place of data from the 2019–20 fiscal year.
 - (B) Each community college district shall receive points for a student who received a fee waiver pursuant to Section 76300 and generated points for any of the metrics described in paragraph (1), based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A). For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the number of points that the community college was granted for that student for each of the metrics described in paragraph (1).
 - (C) (i) Each community college district shall receive points for a student who received financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) and generated points for any of the metrics described in paragraph (1), based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).
 - (ii) Each community college district shall receive, for each student identified pursuant to clause (i), points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if the student was enrolled in the community college district in the academic year in which the award was granted:
 - (I) Four and one-half points for each chancellor’s office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).
 - (II) Six points for each chancellor’s office approved associate for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(III) Three points for each chancellor's office approved credit certificate requiring 16 or more units granted, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(iii) Each community college district shall receive, for each student identified pursuant to clause (i), the number of points equal to the following:

(I) Three points for each student who successfully completes transfer-level mathematics and English courses within the student's first academic year of enrollment, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(II) Two and one-quarter points for each student who successfully transfers to a four-year university, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(III) One and one-half points for each student who successfully completes nine or more career technical education units, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(IV) One and one-half points for each student who obtains a regional living wage within one year of community college completion, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(3) It is the intent of the Legislature that the annual Budget Act fully fund increases in the student success allocations computed under this section.

(g) To establish a hold harmless protection for community college districts pursuant to the funding allocation established in this section, a minimum funding level for all community college districts shall be computed as follows:

(1) For the 2018–19 and 2019–20 fiscal years, a level of funding to ensure that all community college districts receive at a minimum the total computational revenue the district received in the 2017–18 fiscal year, defined as a district's final entitlement for general purpose apportionment based on FTES and the number of colleges and comprehensive centers the district operates.

(2) Commencing with the 2020–21 fiscal year, and each year thereafter, community college districts shall receive the higher of (A) the funding level determined by the formula established in this section, or (B) the level of funding determined by multiplying the community college district's new FTES by the associated credit, noncredit, and career development and college preparation rate received by the district in the 2017–18 fiscal year. The level of funding shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year.

(3) (A) From the 2019–20 fiscal year to the 2025–26 fiscal year, inclusive, for the San Francisco Community College District and the Compton Community College District, the rates for computing the hold harmless provisions pursuant to paragraphs (1) and (2) shall be multiplied each year by the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES. The level of funding for the San

Francisco Community College District and the Compton Community College District shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year multiplied by the 2018–19 fiscal year cost-of-living adjustment, and adjusted for changes in the cost-of-living in subsequent annual budget acts. The intent of these adjustments is to provide the San Francisco Community College District and the Compton Community College District with the greater of the amount that would have been calculated pursuant to the requirements of Section 84750.5, as that section read on January 1, 2018, adjusted for annual changes in the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases in FTES, or the amount computed pursuant to the funding formula established in this section.

(B) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for seven fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(C) (i) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for seven fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the board of governors shall provide allocations to the Compton Community College District in an amount not less than the total amount that the district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year. The amount shall be adjusted to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(ii) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for seven fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the Compton Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2017–18 fiscal year, if there is a subsequent increase in FTES.

(iii) In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(4) (A) Commencing with the 2020–21 fiscal year, decreases in a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall result in the associated reduction beginning in the year following the initial year of decreases, adjusted for changes in the cost-of-living adjustment.

(B) For the 2019–20 fiscal year, a community college district’s total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall be no less than its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for the cost-of-living adjustments for fiscal years 2018–19 and 2019–20.

(h) For the fiscal years 2018–19 to 2024–25, inclusive, each community college district whose increase in 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5, compared to apportionment funding computed pursuant to this section, is less than the year-over-year cost-of-living adjustments applicable to those fiscal years, shall receive discretionary resources in an amount needed to ensure that the community college district receives no less than its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for annual year-over-year cost-of-living adjustments.

(i) The board of governors shall develop the criteria and standards within the statewide minimum requirements established pursuant to this section.

(j) (1) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation.

(2) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled student programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(k) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) and (h) in order to recognize increased operating costs and to improve instruction.

(l) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district’s budget formula, on a per FTES basis by modifying each district’s budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (i).

(m) (1) (A) The governing board of each community college district shall certify it will do all the following, no later than January 1, 2019:

(i) Adopt goals for the community college district that meet the following requirements:

(I) Are aligned with the systemwide goals identified in the Vision for Success, which were adopted by the Board of Governors of the California Community Colleges in 2017.

(II) Are measurable numerically.

(III) Specify the specific timeline for achievement.

(ii) For the meeting when the goals are considered for adoption, include in the written agenda an explanation of how the goals are consistent and aligned with the systemwide goals.

(iii) Submit the written item and summary of action to the chancellor's office.

(B) The chancellor's office shall make available guidance to assist governing boards of community college districts in meeting the requirements of this section. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(2) Each community college district shall align its comprehensive plan pursuant to paragraph (9) of subdivision (b) of Section 70901 with the adopted local plan goals and align its budget with the comprehensive plan. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(3) If a community college district is identified as needing further assistance to make progress towards achieving specified goals, the chancellor's office, with the approval from the board of governors, may direct the community college district to use up to 1 percent of the district's apportionments allocation on technical assistance and professional development to support efforts to meet the district's efforts towards their goals.

(4) (A) The chancellor's office shall develop processes to monitor the approval of new awards, certificates, and degree programs. The chancellor's office shall also develop a process to monitor the number of students who transfer to for-profit postsecondary educational institutions and report on the growth of transfer to these institutions compared to four-year public postsecondary educational institutions.

(B) The chancellor's office shall also develop minimum standards, in consultation with the oversight committee established pursuant to Section 84750.41, for the approval of certificates and awards that would count towards the funding formula pursuant to this section.

(C) The board of governors shall include instructions in the audit report required by Section 84040 related to the implementation of the funding formula pursuant to this section. The chancellor may require a community college district to repay any funding associated with an audit exception identified in a community college district's audit report pursuant to this subparagraph.

(5) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2019, and each year thereafter, the chancellor's office shall report to the Legislature, consistent with Section 9795 of the Government Code, on the course sections and FTES added at each community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(6) (A) On or before July 1, 2022, the chancellor's office shall report to the Legislature and the Department of Finance, consistent with Section 9795 of the Government Code, a description on how community college districts are making progress on advancing the goals outlined in the system's strategic vision plan.

(B) The requirement for submitting a report imposed under subparagraph (A) is inoperative on July 1, 2026, pursuant to Section 10231.5 of the Government Code.

(7) Commencing with the 2019–20 fiscal year, the chancellor's office shall publicly post the data, by community college district, used to calculate the supplemental and student success allocations pursuant to subdivisions (e) and (f) on the internet website of the chancellor's office. The chancellor's office shall publicly post a preliminary version of the data for the most recently completed fiscal years by November 15 of each year, and a final version of that data by March 15 of each year.

(n) For purposes of this section, the following terms have the following meanings:

(1) "Career development and college preparation" means courses in programs that conform to the requirements of Section 84760.5.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.

SEC. 63. Part 53.5 (commencing with Section 88750) is added to Division 7 of Title 3 of the Education Code, to read:

PART 53.5. PATHWAYS TO LAW SCHOOL PROGRAMS

88750. (a) Upon appropriation in the annual Budget Act or another statute, the office of the Chancellor of the California Community Colleges shall allocate funding to community colleges for the purpose of expanding pathways to law school programs, which may include, but is not limited to, all of the following:

(1) Supporting opportunities for dual enrollment partnerships between community colleges and local high school law academies.

(2) Implementing partnerships with the California State University system that incorporate associate degree for transfer pathways that will prepare students for a career in the legal profession.

(3) Expanding existing transfer agreements with the University of California that will prepare students for a career in the legal profession.

(4) Providing student advising and guidance to help participants in the Community College Pathway to Law School initiative successfully transfer into the California State University or the University of California.

(b) The Board of Governors of the California Community Colleges, or its authorized designees, may contract with a third-party entity for the purpose of providing administrative support for the expansion of pathways to law school programs.

(c) (1) On or before July 1, 2025, the Office of the Chancellor of the California Community Colleges shall submit a report to the appropriate budget and policy committees of the Legislature regarding outcomes resulting from the use of funds pursuant to this section, including, but not limited to, the number of students participating in pathways to law school programs, the demographics, graduation, and success rates of those students, and transfer pathways established.

(2) This subdivision shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 64. Section 89007.7 of the Education Code is repealed.

SEC. 65. Section 89780 of the Education Code is repealed.

SEC. 66. Section 92060 of the Education Code is repealed.

SEC. 67. Article 6.4 (commencing with Section 92657) is added to Chapter 6 of Part 57 of Division 9 of Title 3 of the Education Code, to read:

Article 6.4. Animal Shelter Assistance Act

92657. The Legislature finds and declares all of the following:

(a) In 1998, the State of California enacted Senate Bill 1785 (Chapter 752 of the Statutes of 1998) to create new minimum standards for California animal shelters and establish the state's policy that no adoptable or treatable animal should be euthanized.

(b) Since 1998, many California communities have made meaningful strides to reduce the deaths of homeless animals. Public and private sources have funded more low-cost programs for dog and cat spaying and neutering. Animal shelters have sought to modernize their facilities and practices to keep animals healthier during their time at the shelter. Public education campaigns have promoted the importance of adopting pets, and a growing number of private rescue groups have been formed, increasing the degree to which they assist shelters in finding new homes for animals.

(c) Although the number of deaths in California's animal shelters fell from more than 500,000 in 1998 to an estimated 180,000 in 2018, the state's longstanding policy goal has not yet been achieved in every community.

(d) The University of California houses the nation's premier animal sheltering research, service, and teaching program. The shelter medicine program at the University of California, Davis promotes a welfare-centric, life-saving approach to the management of animals in shelters, focused on prevention and grounded in science. The program has been working with shelters across California since its inception, providing advice covering facility design, shelter management, animal husbandry, and myriad veterinary health issues that are unique to sheltering environments.

(e) With an intentional focus on and partnership with communities around California, the state will be well positioned to achieve the state's policy goal that no adoptable or treatable animal should be euthanized.

92658. (a) It is the intent of the Legislature that a five-year program, which shall be known as the Animal Shelter Assistance Program, be established to support the state's policy goal that no adoptable or treatable animal is euthanized, and that the program be administered by the University of California pursuant to all of the following principles:

(1) The program shall provide support to all California animal shelters in the form of outreach, regional conferences, and provision of web-based resources based on current best practices. Best practices may include, but is not limited to, all of the following:

(A) Reducing intake by providing other solutions to keep animals safe and healthy in their homes, which may include spay or neuter as part of that approach, as well as vaccination, microchipping, and setting up technology and communication to help pet owners rehome their own pets instead of taking them to a shelter.

(B) Improving animal health and care in the shelter, which may include adequate housing, good ventilation, appropriate treatment and isolation facilities as well as good husbandry practices to help animals stay healthy, lower costs, and increase adoptions.

(C) Removing barriers to live outcomes, which may include technology, staffing and capacity solutions, and expanding spay or neuter capacity to keep up with outflow. This may also include systems to reunite lost pets and developing an adoption presence in the community.

(2) The program shall offer in-person assessments and in-depth online training to California city, county, or city and county animal control agencies or shelters, societies for the prevention of cruelty to animals, and humane societies, upon request and as feasible.

(3) As a supplement to its outreach and programmatic support, the program shall administer a grant program to aid implementation of best practices in California animal shelters. All funds shall be awarded on the basis of need as determined by an open, competitive process that ensures objectivity, fairness, and sustainability. All California city, county, or city and county animal control agencies or shelters, societies for the prevention of cruelty to animals, and humane societies shall have access and opportunity to voluntarily compete for the funds. The program shall do all of the following:

(A) Develop criteria, procedures, and accountability measures as may be necessary to implement the grant program.

(B) Administer the grant program to ensure that priority is given to underserved populations, including both urban and rural areas and low-income communities, where achievement of the state's goal that no adoptable or treatable animal is euthanized has not yet been met.

(C) In developing criteria, procedures, and accountability measures, include a focus on preventing pet overpopulation, such as measures to offer no or low cost spay or neuter services.

(4) For purposes of this section, a society for the prevention of cruelty to animals or a humane society shall be a California corporation, duly incorporated in the State of California, in active status, as described on the business search page of the Secretary of State's internet website, and exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code.

(5) For purposes of this section, the program is encouraged to prioritize assistance for California city, county, or city and county animal control agencies or shelters, societies for the prevention of cruelty to animals, and humane societies that are current on relevant data reporting required under law, and that offer the greatest likely return on one-time investment of state funds.

(b) In designing and promoting the services outlined in subdivision (a), the program shall seek input from relevant stakeholders to ensure that program services and grants effectively reach a wide geography throughout the state, and that regions in northern, central, and southern California, including both urban and rural areas, are adequately considered, with an emphasis on addressing the lifesaving needs within these regions.

(c) The program may give additional consideration to working with communities that do any of the following:

(1) Seek to maximize the number of animals whose lives can be saved.

(2) Demonstrate partnerships among public, private, corporate, or nonprofit entities.

(3) Emphasize volunteer engagement and community outreach components for purposes of increasing the sustainability of the program's investments.

(d) (1) On or before March 31, 2023, the University of California shall report to the relevant policy and fiscal committees of the Legislature and the Department of Finance on the program. At a minimum, the report shall include all of the following information:

(A) The amount spent on each type of activity set forth in paragraphs (1) to (3), inclusive, of subdivision (a).

(B) Pursuant to paragraph (1) of subdivision (a), a summary of the outreach activities that were supported by funds.

(C) Pursuant to paragraph (2) of subdivision (a), a list of shelters that received in-person assessments and in-depth training.

(D) Pursuant to paragraph (3) of subdivision (a), a list of grant recipients, along with each recipient's grant amount, the amount of matching funds, if any, and a description of the funded activities.

(E) An analysis of the program's impact on the number of animals that are euthanized for all shelters participating in the activities described in paragraphs (2) and (3) of subdivision (a). The analysis shall include annual data on the number of animals that were euthanized at least five years preceding the establishment of the program and throughout the duration of the program. To the extent possible, the analysis shall use the best available data to estimate the number of treatable and adoptable animals that are euthanized in the state. The University of California, Davis Koret Shelter Medicine program may require any data from program participants as needed to complete this analysis.

(F) A long-term plan to sustain any improvements in euthanized rates once the one-time funding expires and continue progressing toward the state's policy objective that no adoptable or treatable animal be euthanized.

(G) Financial information on the University of California, Davis Koret Shelter Medicine program, including funding by source, spending by program and function, and end-of-year fund balances. The report shall include this information for the 2018–19 through 2023–24 fiscal years.

(2) On or before March 31, 2026, the University of California shall submit a second report to the relevant policy and fiscal committees of the Legislature and the Department of Finance on the program. At a minimum, the report shall include all of the information described in paragraph (1).

(e) Subject to the conditions and requirements established elsewhere in statute, the State Department of Public Health and the Department of Food and Agriculture shall provide to the program, upon proper request, data that will help ensure effective administration of the program.

(f) Toward these ends, the Legislature requests the Regents of the University of California to establish the Animal Shelter Assistance Program and direct the University of California, Davis Koret Shelter Medicine Program to administer the program pursuant to, and consistent with, the principles and goals stated in this article.

SEC. 68. Chapter 16 (commencing with Section 93000) is added to Part 57 of Division 9 of Title 3 of the Education Code, to read:

CHAPTER 16. NONRESIDENT ENROLLMENT

93000. (a) It is the intent of the Legislature that the Regents of the University of California adopt a policy that limits the share of nonresident students at every campus to no more than 18 percent of the campus' undergraduate enrollment.

(b) It is the intent of the Legislature that each campus that reduces nonresident enrollment pursuant to subdivision (a) enroll a like amount of resident undergraduate students.

(c) It is the intent of the Legislature to provide annual appropriations to assist the University of California in gradually making progress toward achieving this policy at the University of California, Berkeley, the University of California, Los Angeles, and the University of California, San Diego campuses. It is further the intent of the Legislature that appropriations for this purpose specify both of the following:

(1) The target reduction in nonresident undergraduate enrollment for these campuses to be achieved with the appropriated funds.

(2) If the actual reduction in nonresident undergraduate enrollment for these campuses in any academic year is less than the target reduction specified in the Budget Act appropriation for that year, the Department of Finance shall adjust the University of California's budget appropriation by the portion of the appropriation attributable to each student under the target reduction level.

(d) (1) On or before January 31 in each year of the implementation period, the University of California shall report to the Department of Finance and the budget committees of the Legislature on both of the following:

(A) The share of undergraduate enrollment that is nonresident by campus, including the total enrollment of undergraduate resident students by campus and the total enrollment of undergraduate nonresident students by campus.

(B) A fiscal estimate of the projected cost to make further progress for the following fiscal year.

(2) The university may fulfill these information requirements as part of other existing reports, where possible.

SEC. 69. Section 94892.6 of the Education Code is amended to read:

94892.6. (a) (1) An institution approved to operate by the bureau shall collect and retain all of the following data:

(A) For each graduate completing a program on or after January 1, 2020:

(i) Individual identifying information for each graduate of the institution sufficient to match to wage data from the Employment Development Department pursuant to Section 1095 of the Unemployment Insurance Code.

(ii) The program the graduate was enrolled in.

(iii) The graduate's student loan debt information reported under subdivision (g) of Section 74112 of Title 5 of the California Code of Regulations, if that information applies to the student.

(B) Other information determined by the bureau to be warranted for the purpose of inclusion in the Cradle-to-Career Data System established pursuant to Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of Division 1 of Title 1.

(2) All social security numbers or federal taxpayer identification numbers collected pursuant to subparagraph (A) of paragraph (1) shall be reported by an institution solely for the purposes set forth in this section, and shall not be disclosed by an institution to any third party other than the bureau, the Employment Development Department, and the Cradle-to-Career Data System established pursuant to Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of Division 1 of Title 1, unless the disclosure is otherwise required by law.

(b) (1) An institution shall report information collected pursuant to subdivision (a) to the bureau annually according to a schedule and in a format determined by the bureau. The bureau shall match the data reported by institutions pursuant to this section with wage data from the Employment Development Department pursuant to Section 1095 of the Unemployment Insurance Code.

(2) The bureau shall provide the data reported by institutions pursuant to this section to both of the following:

(A) The Employment Development Department for the purpose of fulfilling federal reporting requirements outlined in Section 116(d)(4)(a) of the federal Workforce Innovation and Opportunity Act (Public Law 113-128), to the extent permitted by state and federal laws and regulations.

(B) The Cradle-to-Career Data System, as required by Cradle-to-Career Data System data providers pursuant to Section 10871.

(3) The bureau shall make available on its internet website the relevant program-level and institution-level statistics, presented in terms of easily understood labor market measures and consistent with all pertinent state and federal privacy laws, regarding the earnings levels of graduates and the student debt information reported under subdivision (g) of Section 74112 of Title 5 of the California Code of Regulations, if that information applies to the student.

(4) Labor market outcome data for each program and institution shall, at a minimum, provide data relating to graduates at two years and at five years after their graduation.

(5) This subdivision shall not be operative until the Director of Consumer Affairs certifies that the bureau's information technology system has been updated and is capable of processing data as required by this section. The bureau shall notify institutions when this certification has occurred. An institution shall have 120 days from the date it receives notification from the bureau to comply with this section.

(c) When sufficient data is reported and publicly available under this section, it is the intent of the Legislature to review the process by which institutions are required to collect and report employment data and reduce duplicative efforts.

SEC. 70. Chapter 5.7 (commencing with Section 99275) is added to Part 65 of Division 14 of Title 3 of the Education Code, to read:

CHAPTER 5.7. CALIFORNIA BENCH TO SCHOOL INITIATIVE

99275. (a) The California Bench to School Initiative is hereby established to create the California Institute on Law, Neuroscience, and Education to promote a collaborative focus on neuroscience, law, education, and social justice to improve literacy outcomes in school settings for youth.

(b) The institute shall include the Memory and Aging Center of the University of California, San Francisco (UCSF), the UCSF/UC Hastings Consortium on Law, Science, and Health Policy, and the UC/CSU California

Collaborative for Neurodiversity and Learning. The institute shall be charged with the development, implementation, and management of the initiative in collaboration and partnership with the Office of Youth and Community Restoration.

(c) As used in this chapter:

(1) “Initiative” means the California Bench to School Initiative established in subdivision (a).

(2) “Institute” means the California Institute on Law, Neuroscience, and Education created pursuant to subdivision (a).

(3) “UC Hastings” means the UC Hastings College of the Law.

(4) “UCSF” means the University of California, San Francisco.

(5) “UC/CSU California Collaborative for Neurodiversity and Learning” means the collaboration between the University of California, Los Angeles, and California State University, managed by the University of California, Los Angeles.

99276. (a) The institute shall perform all of the following duties:

(1) Provide comprehensive analysis of the overlap of science and society by expanding interdisciplinary research on the legal implications of new scientific knowledge in neuroscience.

(2) Promote and conduct interdisciplinary research on socioeconomic factors, such as trauma, abuse, social exclusion, discrimination, poverty, homelessness, and neglect.

(3) Develop interdisciplinary research protocols and approaches to expand the capacity of specialists in different fields to work together.

(4) Provide an annual report to the Legislature, in compliance with Section 9795 of the Government Code, on the initiative’s programmatic objectives and budget expenditures.

(5) Conduct longitudinal studies related to the success of teacher preparation and development, pupil interventions, and educational outcomes.

(b) The UC/CSU California Collaborative for Neurodiversity and Learning shall develop curriculum, provide teacher training, professional development, and classroom interventions.

99277. (a) Upon receiving funding for purposes of this chapter, UCSF, UC Hastings, and the UC/CSU California Collaborative on Neurodiversity and Learning shall each appoint one member from the respective institutions. This group shall be charged with the development and oversight of the initiative, and shall function as the institute’s management committee. The management committee shall be permitted, but not obligated, to retain a program director to assist in the implementation of the initiative.

(b) An advisory board, with its title and members to be named by the institute, shall be established to serve as an oversight body for the initiative in order to monitor progress and provide leadership from the perspectives of their respective participating organizations, departments, and divisions, and to facilitate collaboration among researchers, practitioners, administrators, legislators, and community stakeholders. The advisory board shall provide expertise and support to the management committee. The membership of the advisory board shall be constituted as set forth in

subdivision (b). The advisory board shall be a check on accountability in order to ensure that the initiative is meeting its goals. The advisory board shall also conduct a fiscal review of the distribution of funds to ensure alignment with the goals of the initiative.

(c) The members of the advisory board shall be representatives from the following institutions, organizations, agencies, and groups:

- (1) UCSF.
- (2) UC Hastings.
- (3) The UC/CSU California Collaborative for Learning and Neurodiversity.
- (4) The Mental Health Services Oversight and Accountability Commission.
- (5) A member of the Assembly selected by the Speaker of the Assembly.
- (6) A senator selected by the President pro Tempore of the Senate.
- (7) Community representatives, including formerly justice-involved persons and their family members, selected by the Governor, the Speaker of the Assembly, and the President pro Tempore of the Senate.

(d) The advisory board shall meet twice per year, with the potential for additional working group meetings. At each meeting, the advisory board shall participate in a review of reports, including updates on research, practice, and policy efforts, as well as fiscal reporting.

SEC. 71. The heading of Part 1 (commencing with Section 32000) is added to Division 14.8 of the Food and Agricultural Code, to read:

PART 1. ANIMAL FACILITIES AND SHELTERS

SEC. 72. Part 2 (commencing with Section 32100) is added to Division 14.8 of the Food and Agricultural Code, to read:

PART 2. CALIFORNIA VETERINARY EMERGENCY TEAM PROGRAM

32100. This part shall apply to the University of California only to the extent that the Regents of the University of California, by resolution, make any of these provisions applicable to the university.

32101. (a) The University of California, Davis, School of Veterinary Medicine shall develop a program called the California Veterinary Emergency Team. The program shall assist in the support and training of a network of government agencies, nongovernmental organizations, and individuals to assist in the evacuation and care of household and domestic animals and livestock in emergencies statewide, including disaster preparedness, response, recovery, and mitigation. The program shall also conduct or support research on best practices for the evacuation and care of the animals in disasters.

(b) The program shall ensure that the training and the care provided by or coordinated by the program are at levels that are consistent with those

standards generally accepted within the veterinary profession. The program shall deploy responders to oversee the network volunteers and ensure accepted practices are implemented in the field during emergencies.

(c) The University of California, Davis, School of Veterinary Medicine, the secretary, and the Director of Emergency Services shall develop a memorandum of understanding for the university to consult with the secretary and the director regarding the coordination of the program's activities with the state government's disaster response practices and the deployment of the program's participants during disasters. The memorandum of understanding shall outline program metrics.

(d) The program shall provide a progress report every three years on the activities outlined in the memorandum of understanding to the secretary and the Director of Emergency Services.

(e) For purposes of this part, "program" means the California Veterinary Emergency Team.

32102. Funds made available for purposes of this part shall not be considered an offset to any other state funds appropriated to the University of California.

SEC. 73. Section 8334.1 is added to the Government Code, immediately following Section 8334, to read:

8334.1. (a) On or before July 1, 2022, each state agency shall provide to the California State Library postaward data for every grant administered by the state agency. This data shall include, but is not limited to, all of the following:

- (1) The number of grants awarded per grant opportunity.
- (2) All of the following for each awarded grant:
 - (A) Recipient name.
 - (B) Recipient type.
 - (C) Amount awarded to the recipient.
 - (D) Beginning and end dates of the project funded by the grant.
 - (E) Descriptive purpose of the application awarded the grant.
 - (F) Geographic location served.

(b) As used in this section, the following definitions apply:

- (1) "Geographic location served" means the geographic region of the state served by the grant, including the designated local jurisdiction.
- (2) "Recipient name" means the recipient of the grant.
- (3) "Recipient type" means the nonprofit organization, tribal government, business, or individual awarded the grant.

SEC. 74. Section 20662 of the Public Contract Code, as amended by Section 24 of Chapter 23 of the Statutes of 2017, is amended to read:

20662. (a) The Chancellor of the California Community Colleges is authorized to enter into a contract or other agreement with the governing board of any community college district whereby the district performs services or acts as a fiscal agent on behalf of the California Community Colleges, without advertising for or inviting bids for contracts or other agreements that are no more than twenty million dollars (\$20,000,000). For existing contracts or other agreements that the Chancellor of the California

Community Colleges has entered into with the governing board of any community college district pursuant to this section, the contract or other agreement may be renewed without advertising for or inviting bids, regardless of the amount. This section shall apply only when the funds for the contract or agreement are in satisfaction of the state obligation to provide funding pursuant to Section 8 of Article XVI of the California Constitution.

(b) This section shall become inoperative on July 1, 2023, and, as of January 1, 2024, is repealed.

SEC. 75. Section 20662 of the Public Contract Code, as added by Section 25 of Chapter 23 of the Statutes of 2017, is amended to read:

20662. (a) The Chancellor of the California Community Colleges is authorized to enter into a contract or other agreement with the governing board of any community college district whereby the district performs services or acts as a fiscal agent on behalf of the California Community Colleges. This section shall apply only when the funds for the contract or agreement are in satisfaction of the state obligation to provide funding pursuant to Section 8 of Article XVI of the California Constitution.

(b) This section shall become operative on July 1, 2023.

SEC. 76. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in the director's possession to the extent necessary for any of the following purposes, and may require reimbursement for all direct costs incurred in providing any and all information specified in this section, except information specified in subdivisions (a) to (e), inclusive:

(a) To enable the director or the director's representative to carry out their responsibilities under this code.

(b) To properly present a claim for benefits.

(c) To acquaint a worker or their authorized agent with the worker's existing or prospective right to benefits.

(d) To furnish an employer or their authorized agent with information to enable the employer to fully discharge their obligations or safeguard their rights under this division or Division 3 (commencing with Section 9000).

(e) To enable an employer to receive a reduction in contribution rate.

(f) To enable federal, state, or local governmental departments or agencies, subject to federal law, to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the verification or determination is directly connected with, and limited to, the administration of public social services.

(g) To enable county administrators of general relief or assistance, or their representatives, to determine entitlement to locally provided general relief or assistance, when the determination is directly connected with, and limited to, the administration of general relief or assistance.

(h) To enable state or local governmental departments or agencies to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, relief provided under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code or to enable the collection of expenditures for medical assistance services pursuant to Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code.

(i) To provide any law enforcement agency with the name, address, telephone number, birth date, social security number, physical description, and names and addresses of present and past employers, of any victim, suspect, missing person, potential witness, or person for whom a felony arrest warrant has been issued, when a request for this information is made by any investigator or peace officer as defined by Sections 830.1 and 830.2 of the Penal Code, or by any federal law enforcement officer to whom the Attorney General has delegated authority to enforce federal search warrants, as defined under Sections 60.2 and 60.3 of Title 28 of the Code of Federal Regulations, as amended, and when the requesting officer has been designated by the head of the law enforcement agency and requests this information in the course of and as a part of an investigation into the commission of a crime when there is a reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the law enforcement agency that employs the person, for filing under the normal procedures of that agency.

(1) This subdivision shall not be construed to authorize the release to any law enforcement agency of a general list identifying individuals applying for or receiving benefits.

(2) The department shall maintain records pursuant to this subdivision only for periods required under regulations or statutes enacted for the administration of its programs.

(3) This subdivision shall not be construed as limiting the information provided to law enforcement agencies to that pertaining only to applicants for, or recipients of, benefits.

(4) The department shall notify all applicants for benefits that release of confidential information from their records will not be protected should there be a felony arrest warrant issued against the applicant or in the event of an investigation by a law enforcement agency into the commission of a felony.

(j) To provide public employee retirement systems in California with information relating to the earnings of any person who has applied for or is receiving a disability income, disability allowance, or disability retirement allowance, from a public employee retirement system. The earnings information shall be released only upon written request from the governing

board specifying that the person has applied for or is receiving a disability allowance or disability retirement allowance from its retirement system. The request may be made by the chief executive officer of the system or by an employee of the system so authorized and identified by name and title by the chief executive officer in writing.

(k) To enable the Division of Labor Standards Enforcement in the Department of Industrial Relations to seek criminal, civil, or administrative remedies in connection with the failure to pay, or the unlawful payment of, wages pursuant to Chapter 1 (commencing with Section 200) of Part 1 of Division 2 of, and Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of, the Labor Code.

(l) To enable federal, state, or local governmental departments or agencies to administer child support enforcement programs under Part D of Title IV of the federal Social Security Act (42 U.S.C. Sec. 651 et seq.).

(m) To provide federal, state, or local governmental departments or agencies with wage and claim information in its possession that will assist those departments and agencies in the administration of the Victims of Crime Program or in the location of victims of crime who, by state mandate or court order, are entitled to restitution that has been or can be recovered.

(n) To provide federal, state, or local governmental departments or agencies with information concerning any individuals who are or have been:

(1) Directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.

(2) Delinquent or in default on guaranteed student loans or who owe repayment of funds received through other financial assistance programs administered by those agencies. The information released by the director for the purposes of this paragraph shall not include unemployment insurance benefit information.

(o) To provide an authorized governmental agency with any and all relevant information that relates to any specific workers' compensation insurance fraud investigation. The information shall be provided to the extent permitted by federal law and regulations. For purposes of this subdivision, "authorized governmental agency" means the district attorney of any county, the office of the Attorney General, the Contractors' State License Board, the Department of Industrial Relations, and the Department of Insurance. An authorized governmental agency may disclose this information to the State Bar of California, the Medical Board of California, or any other licensing board or department whose licensee is the subject of a workers' compensation insurance fraud investigation. This subdivision shall not prevent any authorized governmental agency from reporting to any board or department the suspected misconduct of any licensee of that body.

(p) To enable the Director of Consumer Affairs, or the director's representative, to access unemployment insurance quarterly wage data on a case-by-case basis to verify information on school administrators, school staff, and students provided by those schools who are being investigated

for possible violations of Chapter 8 (commencing with Section 94800) of Part 59 of Division 10 of Title 3 of the Education Code.

(q) To provide employment tax information to the tax officials of Mexico, if a reciprocal agreement exists. For purposes of this subdivision, “reciprocal agreement” means a formal agreement to exchange information between national taxing officials of Mexico and taxing authorities of the State Board of Equalization, the Franchise Tax Board, and the Employment Development Department. Furthermore, the reciprocal agreement shall be limited to the exchange of information that is essential for tax administration purposes only. Taxing authorities of the State of California shall be granted tax information only on California residents. Taxing authorities of Mexico shall be granted tax information only on Mexican nationals.

(r) To enable city and county planning agencies to develop economic forecasts for planning purposes. The information shall be limited to businesses within the jurisdiction of the city or county whose planning agency is requesting the information, and shall not include information regarding individual employees.

(s) To provide the State Department of Developmental Services with wage and employer information that will assist in the collection of moneys owed by the recipient, parent, or any other legally liable individual for services and supports provided pursuant to Chapter 9 (commencing with Section 4775) of Division 4.5 of, and Chapter 2 (commencing with Section 7200) and Chapter 3 (commencing with Section 7500) of Division 7 of, the Welfare and Institutions Code.

(t) To provide the State Board of Equalization with employment tax information that will assist in the administration of tax programs. The information shall be limited to the exchange of employment tax information essential for tax administration purposes to the extent permitted by federal law and regulations.

(u) This section shall not be construed to authorize or permit the use of information obtained in the administration of this code by any private collection agency.

(v) The disclosure of the name and address of an individual or business entity that was issued an assessment that included penalties under Section 1128 or 1128.1 shall not be in violation of Section 1094 if the assessment is final. The disclosure may also include any of the following:

- (1) The total amount of the assessment.
- (2) The amount of the penalty imposed under Section 1128 or 1128.1 that is included in the assessment.
- (3) The facts that resulted in the charging of the penalty under Section 1128 or 1128.1.

(w) To enable the Contractors State License Board to verify the employment history of an individual applying for licensure pursuant to Section 7068 of the Business and Professions Code.

(x) To provide any peace officer with the Division of Investigation in the Department of Consumer Affairs information pursuant to subdivision (i) when the requesting peace officer has been designated by the chief of

the Division of Investigation and requests this information in the course of and as part of an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(y) To enable the Labor Commissioner of the Division of Labor Standards Enforcement in the Department of Industrial Relations to identify, pursuant to Section 90.3 of the Labor Code, unlawfully uninsured employers. The information shall be provided to the extent permitted by federal law and regulations.

(z) To enable the Chancellor of the California Community Colleges, in accordance with the requirements of Section 84754.5 of the Education Code, to obtain quarterly wage data, commencing January 1, 1993, on students who have attended one or more community colleges, to assess the impact of education on the employment and earnings of students, to conduct the annual evaluation of district-level and individual college performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(aa) To enable the Public Employees' Retirement System to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, benefits provided under Part 3 (commencing with Section 20000) of Division 5 of Title 2 of the Government Code.

(ab) To enable the State Department of Education, the University of California, the California State University, and the Chancellor of the California Community Colleges, pursuant to the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(ac) To provide the Agricultural Labor Relations Board with employee, wage, and employer information, for use in the investigation or enforcement of the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 (commencing with Section 1140) of Division 2 of the Labor Code). The information shall be provided to the extent permitted by federal statutes and regulations.

(ad) (1) To enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for the purpose of:

(A) Verifying or determining the eligibility of an applicant for, or a recipient of, state health subsidy programs, limited to the Medi-Cal program provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and the Medi-Cal Access Program provided pursuant to Chapter 2 (commencing with Section 15810) of Part 3.3 of Division 9 of the Welfare and Institutions Code, when the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.

(B) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), when the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(C) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, when the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) The information provided under this subdivision shall be subject to the requirements of, and provided to the extent permitted by, federal law and regulations, including Part 603 of Title 20 of the Code of Federal Regulations.

(ae) To provide any peace officer with the Investigations Division of the Department of Motor Vehicles with information pursuant to subdivision (i), when the requesting peace officer has been designated by the Chief of the Investigations Division and requests this information in the course of, and as part of, an investigation into identity theft, counterfeiting, document fraud, or consumer fraud, and there is reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence regarding the identity theft, counterfeiting, document fraud, or consumer fraud. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the Investigations Division of the Department of Motor Vehicles, for filing under the normal procedures of that division.

(af) Until January 1, 2020, to enable the Department of Finance to prepare and submit the report required by Section 13084 of the Government Code that identifies all employers in California that employ 100 or more employees who receive benefits from the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions

Code). The information used for this purpose shall be limited to information obtained pursuant to Section 11026.5 of the Welfare and Institutions Code and from the administration of personal income tax wage withholding pursuant to Division 6 (commencing with Section 13000) and the disability insurance program and may be disclosed to the Department of Finance only for the purpose of preparing and submitting the report and only to the extent not prohibited by federal law.

(ag) To provide, to the extent permitted by federal law and regulations, the Student Aid Commission with wage information in order to verify the employment status of an individual applying for a Cal Grant C award pursuant to subdivision (c) of Section 69439 of the Education Code.

(ah) To enable the Department of Corrections and Rehabilitation to obtain quarterly wage data of former inmates who have been incarcerated within the prison system in order to assess the impact of rehabilitation services or the lack of these services on the employment and earnings of these former inmates. Quarterly data for a former inmate's employment status and wage history shall be provided for a period of one year, three years, and five years following release. The data shall only be used for the purpose of tracking outcomes for former inmates in order to assess the effectiveness of rehabilitation strategies on the wages and employment histories of those formerly incarcerated. The information shall be provided to the department to the extent not prohibited by federal law.

(ai) To enable federal, state, or local government departments or agencies, or their contracted agencies, subject to federal law, including the confidentiality, disclosure, and other requirements set forth in Part 603 of Title 20 of the Code of Federal Regulations, to evaluate, research, or forecast the effectiveness of public social services programs administered pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of Chapter 7 of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the evaluation, research, or forecast is directly connected with, and limited to, the administration of the public social services programs.

(aj) (1) To enable the California Workforce Development Board, the Chancellor of the California Community Colleges, the Superintendent of Public Instruction, the Department of Rehabilitation, the State Department of Social Services, the Bureau for Private Postsecondary Education, the Department of Industrial Relations, the Division of Apprenticeship Standards, the Department of Corrections and Rehabilitation, the Prison Industry Authority, the Employment Training Panel, and a chief elected official, as that term is defined in Section 3102(9) of Title 29 of the United States Code, to access any relevant quarterly wage data necessary for the evaluation and reporting of their respective program performance outcomes as required and permitted by various local, state, and federal laws pertaining to performance measurement and program evaluation under the federal Workforce Innovation and Opportunity Act (Public Law 113-128); the workforce metrics dashboard pursuant to paragraph (1) of subdivision (i) of Section 14013; the Adult Education Block Grant Program consortia

performance metrics pursuant to Section 84920 of the Education Code; the economic and workforce development program performance measures pursuant to Section 88650 of the Education Code; and the California Community Colleges Economic and Workforce Development Program performance measures established in Part 52.5 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code. Disclosures under this subdivision shall comply with federal and state privacy laws that require the informed consent from program participants of city and county departments or agencies that administer public workforce development programs for the evaluation, research, or forecast of their programs regardless of local, state, or federal funding source.

(2) The department shall do all of the following:

(A) Consistent with this subdivision, develop the minimum requirements for granting a request for disclosure of information authorized by this subdivision regardless of local, state, or federal funding source.

(B) Develop a standard application for submitting a request for disclosure of information authorized by this subdivision.

(C) Approve or deny a request for disclosure of information authorized by this subdivision, or request additional information, within 20 business days of receiving the standard application. The entity submitting the application shall respond to any request by the department for additional information within 20 business days of receipt of the department's request. Within 30 calendar days of receiving any additional information, the department shall provide a final approval or denial of the request for disclosure of information authorized by this subdivision. Any approval, denial, or request for additional information shall be in writing. Denials shall identify the reason or category of reasons for the denial.

(D) Make publicly available on the department's internet website all of the following:

(i) The minimum requirements for granting a request for disclosure of information authorized by this subdivision, as developed pursuant to subparagraph (A).

(ii) The standard application developed pursuant to subparagraph (B).

(iii) The timeframe for information request determinations by the department, as specified in subparagraph (C).

(iv) Contact information for assistance with requests for disclosures of information authorized by this subdivision.

(v) Any denials for requests of disclosure of information authorized by this subdivision, including the reason or category of reasons for the denial.

(ak) (1) To provide any peace officer with the Enforcement Branch of the Department of Insurance with both of the following:

(A) Information provided pursuant to subdivision (i) that relates to a specific insurance fraud investigation involving automobile insurance fraud, life insurance and annuity fraud, property and casualty insurance fraud, and organized automobile insurance fraud. That information shall be provided when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information

in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(B) Employee, wage, employer, and state disability insurance claim information that relates to a specific insurance fraud investigation involving health or disability insurance fraud when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(2) To enable the State Department of Developmental Services to obtain quarterly wage data of consumers served by that department for the purposes of monitoring and evaluating employment outcomes to determine the effectiveness of the Employment First Policy, established pursuant to Section 4869 of the Welfare and Institutions Code.

(3) The information provided pursuant to this subdivision shall be provided to the extent permitted by federal statutes and regulations.

(al) To provide the CalSavers Retirement Savings Board with employer tax information for use in the administration of, and to facilitate compliance with, the CalSavers Retirement Savings Trust Act (Title 21 of the Government Code). The information should be limited to the tax information the director deems appropriate, and shall be provided to the extent permitted by federal laws and regulations.

(am) (1) To enable the Joint Enforcement Strike Force as established by Section 329, and the Labor Enforcement Task Force, as established pursuant to Assembly Bill 1464 of the 2011–12 Regular Session (Chapter 21 of the Statutes of 2012), to carry out their duties.

(2) To provide an agency listed in subdivision (a) of Section 329 intelligence, data, including confidential tax and fee information, documents, information, complaints, or lead referrals pursuant to Section 15925 of the Government Code.

(an) To enable the Bureau for Private Postsecondary Education to access and use any relevant quarterly wage data necessary to perform the labor market outcome reporting data match pursuant to Section 94892.6 of the Education Code. The information provided pursuant to this subdivision shall be provided to the extent permitted by state and federal laws and regulations.

(ao) To enable the Department of Fair Employment and Housing to carry out its duties, including ensuring compliance with Section 12999 of the Government Code. Conduct related to information provided pursuant to this subdivision shall not be subject to the criminal sanctions set forth in subdivision (f) of Section 1094.

(ap) To enable the Cradle-to-Career Data System, as established by Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of

Division 1 of Title 1 of the Education Code, to receive employment and earnings data and, as required of the director pursuant to Section 10871 of the Education Code, to provide information to the data system, to the extent permissible by federal laws and regulations.

SEC. 77. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2020 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....	2,230,465,000
Schedule:	
(1) 5670015-Appportionments.....	803,828,000
(2) 5670019-Apprenticeship.....	43,649,000
(3) 5670023-Apprenticeship Training and Instruction.....	35,694,000
(4) 5675040-Student Equity and Achievement Program.....	475,220,000
(5) 5675019-Student Financial Aid Administration.....	75,618,000
(6) 5675027-Disabled Students.....	124,288,000
(7) 5675031-Student Services for CalWORKs Recipients.....	46,941,000
(8) 5675035-Foster Care Education Program.....	5,654,000
(9) 5675045-Legal Services.....	10,000,000
(10) 5675061-Academic Senate for the Community Colleges.....	1,685,000
(11) 5675069-Equal Employment Opportunity.....	2,767,000
(12) 5675073-Part-Time Faculty Health Insurance.....	490,000
(13) 5675077-Part-Time Faculty Compensation.....	24,907,000
(14) 5675081-Part-Time Faculty Office Hours.....	102,172,000
(15) 5670035-Expand the Delivery of Courses through Technology.....	23,000,000
(16) 5675119-Economic Development.....	270,929,000
(17) 5675123-Transfer Education and Articulation.....	779,000
(18) 5675023-Extended Opportunity Programs and Services.....	132,691,000
(19) 5675115-Fund for Student Success.....	53,740,000
(20) 5675150-Campus Childcare Tax Bailout.....	3,645,000
(21) 5675156-Nursing Program Support.....	13,378,000
(24) 5675109-Institutional Effectiveness	27,500,000

(25) 5675098-Integrated Technology 41,890,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2020–21 fiscal year to Section B of the State School Fund.
 - 1.5 (a) The funds appropriated in Schedule (1) reflect a deferral of \$662,119,000 to the 2021–22 fiscal year.
 - (b) The funds appropriated in Schedule (1) also reflect a deferral of \$791,124,000 to the 2021–22 fiscal year. Pursuant to Section 8.28, if federal legislation is enacted to provide additional funding to the state for the 2020–21 fiscal year, the Director of Finance shall determine whether the federal legislation will make available additional federal funds to offset the deferral described in this subdivision.
 - (c) (1) To implement the monthly deferral schedule for community college districts pursuant to subdivision (a) of Section 84321.62 of the Education Code, the Chancellor’s Office may transfer appropriations from schedules within this item that provide categorical program funding and that are being deferred to Schedule (1) of this item.
 - (2) If exercising the authority described in paragraph (1), the Chancellor’s Office shall first defer appropriations from apportionments in Schedule (1) before transferring appropriations from schedules within this item that provide categorical program funding.
 - (d) The transfers authorized by this provision shall be implemented through notification to appropriate staff at the State Controller’s Office and Department of Finance.
2. (a) The funds appropriated in Schedule (1) shall be allocated using the budget formula established pursuant to Section 84750.4 of the Education Code. The budget formula shall be adjusted to reflect the following:
 - (1) Of the funds appropriated in Schedule (1), \$0 shall be used to increase statewide growth of full-time equivalent students (FTES).
 - (2) Of the funds appropriated in Schedule (1), \$0 shall be used to reflect a cost-of-living adjustment of 0 percent.

- (3) Notwithstanding paragraph (1), the Chancellor's Office may allocate unused growth funding to backfill any unanticipated shortfalls in the total amount of funding appropriated and support the budget formula established pursuant to Section 84750.4 of the Education Code.
 - (b) Funds allocated to a community college district from funds included in Schedule (1) shall directly offset any mandated costs claimed for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) program or any costs of complying with Section 84754.5 of the Education Code.
 - (c) Of the funds appropriated in Schedule (1):
 - (1) \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
 - (2) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.
 - (d) Of the funds appropriated in Schedule (1), \$81,372,000 shall be allocated to support the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 2 of Title 3 of the Education Code.
 - (e) Of the funds appropriated in Schedule (1), \$50,000,000 shall be used to hire new full-time faculty for community college districts to increase their percentage of full-time faculty, toward meeting the 75 percent full-time faculty target. The Chancellor's Office of the California Community Colleges shall consult with representatives from the Department of Finance, the Legislature, and the Legislative Analyst's Office before distributing these funds to community college districts.
3. (a) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.

- (b) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be \$6.44 per hour.
- (c) Of the funds appropriated in Schedule (2), \$15,000,000 shall be used for the California Apprenticeship Initiative pursuant to Section 79148.1 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2026.
- 4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code.
- (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be \$6.44 per hour.
- 5. The funds appropriated in Schedule (4) shall be apportioned to community college districts pursuant to Section 78222 of the Education Code.
- 6. (a) Of the funds appropriated in Schedule (5):
 - (1) Not less than \$14,977,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (2) Not less than \$15,141,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (3) Not more than \$35,200,000 shall be for direct contact with potential and current financial aid applicants. Each California Community College campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting FTES weighted by a measure of low-income populations demonstrated by the California College Promise Grant program participation within a district.
 - (4) Funds allocated to a community college district pursuant to paragraphs (1) and (2) shall supplement, not supplant, the level of funds

allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

- (5) Funding allocated to a community college district pursuant to paragraphs (1) and (2) shall directly offset any costs claimed by that district for any of the following mandates: Enrollment Fee Collection (99-TC-13), Enrollment Fee Waivers (00-TC-15), Cal Grants (02-TC-28), and Tuition Fee Waivers (02-TC-21).
- (6) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2020–21 fiscal year shall be determined in this act.
- (7) Not more than \$5,000,000 shall be for ongoing maintenance, subscription, and training costs for financial aid technology advancements and innovations that streamline the financial aid verification process and enable colleges to more efficiently process state and federal financial aid grants. It is the intent of the Legislature that system improvements supported by this funding have the effect of reducing the manual processing of financial aid applications, thereby enabling financial aid program staff to provide additional technical assistance and guidance to students seeking financial aid. The Chancellor's Office shall determine the methodology for allocating these funds to community college districts.
- (8) (A) \$5,300,000 shall be allocated to a community college district to conduct a statewide media campaign to promote the following message: (i) the California Community Colleges are affordable, (ii) financial aid is available to cover fees and help with books and other costs, and (iii) an interested student should contact the student's local community college financial aid office. The campaign should target efforts to reach low-income and disadvantaged students who must overcome barriers in accessing postsec-

ondary education. The community college district awarded the contract shall consult regularly with the Chancellor of the California Community Colleges and the Student Aid Commission.

- (B) Of the amount identified in subparagraph (A), \$2,500,000 shall be allocated to expand: (i) outreach for students from non-English speaking households and bilingual households, (ii) marketing and outreach aimed at baccalaureate degree pilot programs, and (iii) marketing and outreach aimed at increasing current and future student awareness of the California College Promise Grant. Bilingual efforts shall target areas of the state that meet at least one of the following conditions: (i) have concentrations of non-English speaking and bilingual households, or (ii) have underserved populations, a history of declining community college attendance, or both.
7. (a) The funds appropriated in Schedule (6) shall be used to assist districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (6):
 - (1) At least \$3,945,000 shall be used to address deficiencies identified by the United States Department of Education Office for Civil Rights.
 - (2) At least \$943,000 shall be used to support the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled.
 - (3) At least \$9,600,000 shall be allocated to community college districts for sign language interpreter services, real-time captioning equipment, or other communication accommodations for hearing-impaired students. A community college district is required to spend \$1 from local or other resources for every \$4 received pursuant to this paragraph.

- (4) \$642,000 shall be allocated for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts.
- 8. (a) The funds appropriated in Schedule (7) shall be allocated pursuant to Article 5 (commencing with Section 79200) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
- (b) Of the amount appropriated in Schedule (7):
 - (1) \$9,488,000 is for childcare, except that a community college district may request that the chancellor approve the use of funds for other purposes.
 - (2) No less than \$5,060,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and \$633,000 is available for campus job development and placement services.
- 9. The funds appropriated in Schedule (8) shall be allocated to community college districts to provide foster and relative or kinship care education and training pursuant to Article 8 (commencing with Section 79420) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. A community college district shall ensure that education and training required pursuant to paragraphs (12) and (13) of subdivision (g) of Section 16519.5 of the Welfare and Institutions Code receive priority.
- 10. The funds appropriated in Schedule (9) shall be allocated to a community college district to contract with the State Department of Social Services in order to contract with organizations qualified pursuant to Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code to provide services pursuant to that chapter to persons on California community college campuses. Use of these funds shall be included in updates provided to the Legislature on the State Department of Social Services' immigration programs.
- 11. Of the amount appropriated in Schedule (10), \$685,000 is available to support the Academic Senate of the California Community Colleges course identification numbering system efforts and shall be subject to the requirements of subparagraph (B) of paragraph (5) of subdivision (b) of Section 70901 of the Education Code.

12. The funds in Schedule (13) shall be allocated to increase compensation for part-time faculty. Funds shall be allocated to districts based on the total actual number of FTES in the previous fiscal year, with an adjustment to the allocations provided to small districts. These funds shall be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through collective bargaining in each community college district. If a community college district achieves parity between compensation for full-time faculty and part-time faculty, funds received pursuant to this provision may be used for any other educational purpose.
13. (a) Of the funds appropriated in Schedule (14), \$90,000,000 shall be available on a one-time basis to support part-time faculty office hours.
(b) The funds provided pursuant to subdivision (a) shall be available for encumbrance or expenditure until June 30, 2024.
14. Of the funds appropriated in Schedule (15):
 - (a) By September 1 of each fiscal year, up to \$3,000,000 shall be disbursed by the Office of the Chancellor of the California Community Colleges to one or more community college districts to provide textbooks or digital course content to inmates under the jurisdiction of the Department of Corrections and Rehabilitation who are enrolled in one or more California Community College courses. The provision of this material is expected to enable community college districts to provide instruction to incarcerated adults.
 - (1) To the extent possible, community college districts providing textbooks or digital course content pursuant to this subdivision are encouraged to first use open educational resources.
 - (2) Notwithstanding any other law, a contract between the Office of the Chancellor of the California Community Colleges and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code.
 - (c) \$20,000,000 shall be allocated to the Chancellor of the California Community Colleges to increase the number of courses available through the use of technology, provide alternative methods for

students to earn college credit, and support the California Virtual Campus Distance Education Program. These funds may be used to pay for a consistent learning management system to help implement this program. The chancellor shall ensure, to the extent possible, that the following conditions are satisfied:

- (1) These courses can be articulated across all community college districts.
 - (2) These courses are made available to students systemwide, regardless of the campus at which a student is enrolled.
 - (3) Students who complete these courses are granted degree-applicable credit across community colleges.
 - (4) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees.
15. Of the funds appropriated in Schedule (16):
- (a) \$22,929,000 is available for the following purposes:
 - (1) Funds shall be allocated for programs that target investments in priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants may include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training. Funds allocated pursuant to this provision may be used to provide substantially similar services in support of the Strong Workforce Program.
 - (2) Funds applied to performance-based training shall be matched by a minimum of \$1 contributed by private businesses or industry for each \$1 of state funds. The chancellor shall consider the level of involvement and financial commitments of business and industry in making awards for performance-based training.
 - (3) Up to 10 percent may be allocated for state-level technical assistance, including statewide network leadership, organizational development, coordination, and information and support services.

- (b) \$248,000,000 shall be available to support the Strong Workforce Program pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.
- 16. (a) \$81,000 of the funds appropriated in Schedule (17) shall be used to support the Historically Black Colleges and Universities (HBCU) Transfer Pathway program, which helps develop transfer guarantee agreements that help facilitate a smooth transition for students from the California Community Colleges to partnered HBCU institutions.
- (b) (1) \$698,000 of the funds appropriated in Schedule (17) shall be used to support transfer and articulation projects and common course numbering projects.
- (2) Funding provided to community college districts shall directly offset any costs claimed by community college districts to be mandates pursuant to Chapter 737 of the Statutes of 2004.
- 17. (a) Of the funds appropriated in Schedule (18):
- (1) \$115,867,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.
- (2) \$16,824,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The chancellor shall allocate these funds to local programs on the basis of need for student services.
- (b) Of the amount allocated pursuant to subdivision (a), no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students.
- 18. The funds appropriated in Schedule (19) shall be used for the following purposes:
- (a) \$1,984,000 shall be used for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and if the participating community colleges and

University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.

- (b) Up to \$2,539,000 is for the Mathematics, Engineering, Science Achievement (MESA) program. A community college district is required to spend \$1 from local or other resources for every \$1 received pursuant to this subdivision.
- (c) No less than \$1,836,000 is for the Middle College High School Program. With the exception of special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment.
- (d) No less than \$2,581,000 is for the Umoja program.
- (e) Consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017, the chancellor shall enter into agreements with 20 community college districts to provide additional services in support of postsecondary education for foster youth. Up to \$20,000,000 of the funds appropriated in this item shall be prioritized for services pursuant to Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017.
- (f) \$10,000,000 of the funds shall be for support of Veteran Resource Centers. To the extent funding is provided in the annual Budget Act, the chancellor shall only allocate funding to community colleges that commit to either meeting or making progress towards meeting the minimum standards developed by the Office of the Chancellor of the California Community Colleges.
- (g) (1) Colleges shall establish ongoing partnerships with community organizations that have a tradition of helping populations experiencing homelessness to provide wraparound services

and rental subsidies for homeless and housing insecure students. \$9,000,000 of the funds appropriated in Schedule (19) may be used for, but are not limited to, the following authorized activities:

- (A) Connecting students with community case managers who have knowledge and expertise in accessing safety net resources.
- (B) Establishing ongoing emergency housing procedures, including on-campus and off-campus resources.
- (C) Providing emergency grants that are necessary to secure housing or to prevent the imminent loss of housing.
- (2) Funding shall be allocated to campuses based on demonstrated need.
- (3) “Homeless” and “housing insecure” mean students who lack a fixed, regular, and adequate nighttime residence. This includes students who are:
 - (A) Sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason.
 - (B) Living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations.
 - (C) Living in emergency or transitional shelters.
 - (D) Abandoned in hospitals.
 - (E) Living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.
 - (F) Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.
- (4) By July 15 of each year, the Office of the Chancellor of the California Community Colleges shall submit a report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature regarding the prior year use of these funds, including the number of coordinators hired, the number of students served by

campus, the distribution of funds by campus, a description of the types of programs funded, and other relevant outcomes, such as the number of students who were able to secure permanent housing, and whether students receiving support remained enrolled at the institution or graduated.

- (i) \$5,800,000 shall be allocated by the Chancellor's Office to community colleges to support Dreamer Resource Liaisons and student support services, including those related to career pathways and economic mobility, for immigrant students, pursuant to Section 66021.8 of the Education Code.
- 19. The funds appropriated in Schedule (20) shall be allocated by the chancellor to community college districts that levied childcare permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its childcare and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college childcare and development programs.
- 20. Of the funds appropriated in Schedule (21):
 - (a) \$8,475,000 shall be used to provide support for nursing programs.
 - (b) \$4,903,000 shall be used for diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.
- 21. The Office of the Chancellor of the California Community Colleges shall annually report by December 1 of each year through 2021, on the racial or ethnic and gender composition of faculty, and efforts to assist campuses in providing equal employment opportunity in faculty recruitment and hiring practices as well as systemwide training, monitoring, and compliance activities.
- 24. (a) Of the amount appropriated in Schedule (24):
 - (1) (A) \$7,500,000 may be used by the Chancellor of the California Community Colleges to provide technical assistance to

community college districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance consistent with the vision for the California Community Colleges.

- (B) Technical assistance funded pursuant to this paragraph that is initiated by the chancellor may be provided at no cost to the community college district. If a community college district requests technical assistance, the district is required to spend at least \$1 from local or other resources for every \$2 received, as determined by the chancellor.
- (2) (A) \$20,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to, strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning and implementation of statewide initiatives in alignment with the Board of Governors of the California Community Colleges' Vision for Success. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of improving student success and institutional effectiveness. Each fiscal year, the chancellor shall submit a report on the use of funds appropriated pursuant to this provision in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of each year. This report shall include information regarding California Community Colleges' participation in the activities funded pursuant to this provision.

- (B) Funding available pursuant to this paragraph may be used by the chancellor to coordinate with community college districts to conduct policy research, and develop and disseminate effective practices through the establishment of an online clearinghouse of information. The development of effective practices shall include, but not be limited to, statewide priorities such as the development of educational programs or courses for the incarcerated adults in prisons and jails, and the formerly incarcerated, educational programs or courses for California Conservation Corps members, and other effective practices. The online clearinghouse of information shall also reflect effective practices, guidance, policies, curriculum, courses, and programs developed by local community colleges in support of the Strong Workforce Program established pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.
 - (C) It is the intent of the Legislature to encourage the chancellor to facilitate the development of local community college courses for the California Conservation Corps and the incarcerated adults in prisons and jails, and the formerly incarcerated. The Department of Corrections and Rehabilitation and the California Conservation Corps are encouraged to partner with the chancellor's office in the development and dissemination of local community college courses and effective practices pursuant to this subparagraph and subparagraph (B).
25. (a) The funds appropriated in Schedule (25) shall be allocated by the Chancellor of the California Community Colleges for the following purposes:
- (1) Procurement, development, evaluation, and upgrading of high priority systemwide technology tools and infrastructure including, but not limited to, e-transcript, e-planning, and other tools to assist colleges to implement

multiple measures of assessment pursuant to Chapter 745 of the Statutes of 2017, and technologies that facilitate portability of education credentials.

- (2) Provision of access to statewide multimedia hosting and delivery services for colleges and districts.
 - (3) Provision of systemwide internet, audio bridging, data security, and telephony.
 - (4) Services related to technology use, including accessibility guidance and information security.
 - (5) Technology product development and program management, technical assistance and planning, and cooperative purchase agreements.
 - (6) Ongoing faculty and staff development related to technology use and adoption.
 - (7) Ongoing support of the California Partnership for Achieving Student Success (Cal-PASS) program.
 - (8) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California, as well as to support integration and interoperability toward an improved student experience.
 - (9) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system toward improving learning outcomes.
 - (10) Up to 5 percent of the funds may be allocated by the chancellor to a community college district for statewide activities, not limited to statewide technical assistance to evaluate, plan, and continuously improve the system’s data and technology roadmap and deployment.
- (b) Any funds not allocated pursuant to subdivision (a) shall be available for allocations to districts to maintain technology capabilities.

SEC. 78. Item 6870-121-0001 of Section 2.00 of the Budget Act of 2020 is amended to read:

6870-121-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98) 23,100,000
Schedule:

- (1) 5675109-Institutional Effectiveness..... 20,000,000
- (2) 5675019-Student Financial Aid Administration..... 3,100,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2020–21 fiscal year to Section B of the State School Fund.

2. The funds appropriated in Schedule (1) shall be allocated by the Office of the Chancellor of the California Community Colleges to support efforts to increase student retention rates and enrollment by primarily engaging former community college students that may have withdrawn from college due to the impacts of COVID-19, as well as with current community college students that may be hesitant to remain in college due to the impacts of COVID-19 and prospective students that may be hesitant to enroll in a community college due to COVID-19. The Chancellor’s Office may allocate up to 10% of the funds provided for the purposes of this provision to support statewide recruitment and retention efforts.

3. The funds appropriated in Schedule (2) shall be allocated by the Office of the Chancellor of the California Community Colleges to community college districts to support campus efforts to increase student applications in the CalFresh program. Funds may be used to create outreach materials, host events, support equipment needs, and support application assistance, including hiring staff and student workers to assist students applying for CalFresh and understanding how to use their CalFresh benefits. The Office of the Chancellor shall report back to the Department of Finance and relevant committees of the Legislature by December 1, 2021, as to how funds were distributed to campuses,

how funds were used, and how many students applied for CalFresh as a result of these activities.

SEC. 79. Item 6980-101-0001 of Section 2.00 of the Budget Act of 2020 is amended to read:

- 6980-101-0001—For local assistance, Student Aid Commission..... 2,218,733,000
- Schedule:
- (1) 5755-Financial Aid Grants Program..... 2,653,839,000
 - (2) Reimbursements to 5755-Financial Aid Grants Program..... -435,106,000
- Provisions:
- 1. The funds appropriated in this item are for costs of all of the following:
 - (a) The Cal Grant Program, pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code.
 - (b) The Law Enforcement Personnel Dependents Scholarship Program, pursuant to Section 4709 of the Labor Code.
 - (c) The Assumption Program of Loans for Education, pursuant to Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (d) The State Nursing Assumption Program of Loans for Education (SNAPLE), pursuant to Article 1 (commencing with Section 70100) of Chapter 3 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (e) The Middle Class Scholarship Program, pursuant to Article 22 (commencing with Section 70020) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (f) The Cash for College Program, pursuant to Article 3.5 (commencing with Section 69551) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (g) The Student Opportunity and Access Program (Cal-SOAP), pursuant to Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - 1.5. (a) Of the amount appropriated in this item, \$7,500,000 is to fund the activities pursuant to Article 5.5 (commencing with Section 69438) of

Chapter 1.7 of Part 42 of Division 5 of Title 3 of the Education Code.

- (b) Of the amount appropriated in this item, \$15,000,000 in reimbursement authority is to support grants to students in a professional preparation program leading to a preliminary teaching credential that would be used in the high need field of special education through the Golden State Teacher Grant Program established pursuant to Section 69617 of the Education Code.
- 2. Notwithstanding any other law, the maximum Cal Grant award for:
 - (a) New recipients attending private, for-profit institutions that are not accredited by the Western Association of Schools and Colleges as of July 1, 2020, shall be \$4,000.
 - (b) New recipients attending private, for-profit institutions that are accredited by the Western Association of Schools and Colleges as of July 1, 2020, shall be \$8,056.
 - (c) New recipients attending private, nonprofit institutions shall be \$9,084.
 - (d) All recipients receiving Cal Grant B access awards shall be \$1,648.
 - (e) All recipients receiving Cal Grant C tuition and fee awards shall be \$2,462.
 - (f) All recipients attending community colleges receiving Cal Grant C book and supply awards shall be \$1,094.
 - (g) All recipients not attending community colleges receiving Cal Grant C book and supply awards shall be \$547.
 - (h) All University of California student recipients receiving Cal Grant awards shall be the amount approved for mandatory systemwide tuition and fees by the Regents of the University of California for the 2020–21 academic year.
 - (i) All California State University student recipients receiving Cal Grant awards shall be the amount approved for mandatory systemwide tuition and fees by the Trustees of the California State University for the 2020–21 academic year.
- 3. Notwithstanding Provision 2 of this item and any other law:
 - (a) All Cal Grant A award recipients attending a University of California or California State University and who have a dependent child or depen-

- dent children shall also receive an access award. The maximum amount of this access award shall be \$6,000.
- (b) All Cal Grant B access award recipients attending a University of California, California State University, or California Community College and who have a dependent child or dependent children shall have a maximum access award of \$6,000.
 - (c) All Cal Grant C book and supply award recipients attending a California Community College and who have a dependent child or dependent children shall have a maximum book and supply award of \$4,000.
4. Notwithstanding any other law, the Department of Finance may authorize an augmentation, from the Special Fund for Economic Uncertainties established pursuant to Section 16418 of the Government Code, of the amount appropriated in this item to make Cal Grant awards, pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code. No augmentation may be authorized pursuant to this provision sooner than 30 days after the Department of Finance provides notice of the intended augmentation to the chairpersons of the committees in each house of the Legislature that consider appropriations.
 5. Notwithstanding any other law, the Department of Finance may authorize a loan from the General Fund for cashflow purposes, in an amount not to exceed \$125,000,000, provided that:
 - (a) The loan is to meet cash needs resulting from a delay in the receipt of reimbursements from federal Temporary Assistance for Needy Families (TANF) funds.
 - (b) The Student Aid Commission has received confirmation from the State Department of Social Services that there are no available TANF resources that could be advanced to them.
 - (c) The loan is for a short-term need and shall be repaid within 90 days of the loan's origination date.
 - (d) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

SEC. 80. Item 6980-101-3263 of Section 2.00 of the Budget Act of 2020 is amended to read:

6980-101-3263—For local assistance, Student Aid Commission,
 payable from the College Access Tax Credit Fund..... 1,542,000
 Schedule:
 (1) 5755-Financial Aid Grants Program..... 1,542,000
 Provisions:
 1. The funds appropriated in this item shall be used to
 make a supplemental award of up to \$12 to any student
 who receives a Cal Grant B Access Award in the
 2020–21 award year.

SEC. 81. (a) For the 2021–22 fiscal year, the sum of five hundred eleven million fourteen thousand dollars (\$511,014,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts for the following purposes:

(1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to community college districts on the basis of actual reported full-time equivalent students, and may establish a minimum allocation per community college district. As a condition of receiving and expending these funds for maintenance or special repairs, a community college district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. A community college district's compliance with its resolution shall be reviewed under the annual audit of the community college district.

(2) Hazardous substances abatement, cleanup, and repairs.

(3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and seismic retrofit projects limited to seven hundred fifty-two thousand dollars (\$752,000).

(4) Water conservation projects to reduce water consumption in cooperation with the Governor's Executive Order B-37-16. Projects may include any of the following:

(A) Replacement of water-intensive landscaping with drought-tolerant landscaping, synthetic turf, if the turf is used only in nonathletic areas, and other nonplant materials.

(B) Drip or low-flow irrigation systems.

(C) Building improvements to reduce water usage.

(D) Installation of meters for wells to allow for monitoring of water usage.

(b) Any funds appropriated pursuant to subdivision (a) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The Chancellor of the California Community Colleges shall allocate funds to community college districts on the basis of actual reported full-time equivalent students, and

may establish a minimum allocation per community college district. A district's compliance with its resolution shall be reviewed under the annual audit of that district.

(c) Funds appropriated pursuant to this section shall be available for encumbrance or expenditure until June 30, 2023.

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, five hundred nine million two hundred fifty-four thousand dollars (\$509,254,000) of the appropriation made pursuant to subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one million seven hundred sixty thousand dollars (\$1,760,000) of the appropriation made pursuant to subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2019–20 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2019–20 fiscal year.

SEC. 82. (a) For the 2021–22 fiscal year, the sum of fifty million dollars (\$50,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community colleges to support the continued implementation of a guided pathways program pursuant to the California Community College Guided Pathways Grant Program established pursuant to Part 54.81 (commencing with Section 88920) of Division 7 of Title 3 of the Education Code. The funds appropriated pursuant to this subdivision shall be expended in furtherance of the goals identified in the Vision for Success, adopted by the Board of Governors of the California Community Colleges in 2017.

(b) Notwithstanding paragraph (1) of subdivision (a) of Section 88922 of the Education Code, up to 5 percent of the funds appropriated pursuant to subdivision (a) may be used for statewide assistance and programmatic support to implement this section.

(c) Funds appropriated in subdivision (a) shall be allocated as grants to participating community colleges pursuant to the methodology described in subdivision (b) of Section 88922 of the Education Code.

(d) (1) Before the office of the Chancellor of the California Community Colleges may award grant funds to a participating community college, the community college shall demonstrate its continued commitment to implement a guided pathways framework by updating and submitting to the office of the Chancellor of the California Community Colleges a work

plan outlining the community college's commitment to implement a guided pathways program for all entering students and integrate existing student success programs operating at the community college, including, but not limited to, the Student Equity and Achievement Program established pursuant to Section 78222 of the Education Code, the associate degrees for transfer program, the Zero-Textbook-Cost Degree Grant Program established pursuant to Article 4 (commencing with Section 78050) of Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code, the Adult Education Program established pursuant to Article 9 (commencing with Section 84900) of Chapter 5 of Part 50 of Division 7 of Title 3 of the Education Code, and the Strong Workforce Program established pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.

(2) If the office of the Chancellor of the California Community Colleges determines that a community college has not previously met the requirements of subdivision (c) of Section 88922 of the Education Code or the requirements of paragraph (1), the community college may access available technical assistance opportunities to meet the requirements.

(e) (1) On or before July 1, 2023, the office of the Chancellor of the California Community Colleges shall report to the Director of Finance and the Legislature, pursuant to Section 9795 of the Government Code, to provide an updated summary of each community college's progress toward implementing its work plan submitted pursuant to paragraph (1) of subdivision (d), including the share of each community college's students engaged in guided pathways activities and practices and the community college's alignment of course offerings with student education plans.

(2) The report required in paragraph (1) shall include recommendations on any statutory or regulatory changes necessary to improve the ability of community colleges to implement their locally developed guided pathways programs.

(f) Funds appropriated to this section shall be available for encumbrance or expenditure until June 30, 2026.

(g) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 83. (a) For the 2021–22 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community colleges to support efforts to increase student retention rates and enrollment by primarily engaging former community college students who may have withdrawn from a community college due to the impacts of

the COVID-19 pandemic, current community college students who may be hesitant to remain enrolled at a community college due to the impacts of the COVID-19 pandemic, and prospective students who may be hesitant to enroll at a community college due to the impacts of the COVID-19 pandemic. A community college may use funds allocated pursuant to this subdivision to provide a fiscal incentive for students to reenroll, or for prospective students to enroll, at the community college.

(b) In considering an allocation methodology to community colleges, the office of the Chancellor of the California Community Colleges shall consider a factor that allocates additional funds to community colleges that have observed the most significant percentage declines in enrollment due to the impacts of the COVID-19 pandemic.

(c) The office of the Chancellor of the California Community Colleges may allocate up to 10 percent of the funds appropriated in subdivision (a) to support statewide recruitment and retention efforts.

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 84. (a) For the 2021–22 fiscal year, the sum of one hundred fifteen million dollars (\$115,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for providing grants to community college districts to develop zero-textbook-cost degrees, which may include specified low-cost degrees, using open educational resources pursuant to the Zero-Textbook-Cost Degree Grant Program established pursuant to Article 4 (commencing with Section 78050) of Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code. Funds appropriated pursuant to this section may also be used for the curation of open educational resources for courses.

(b) As a condition of receiving funding to develop and implement zero-textbook-cost degrees, a community college district shall strive to implement degrees within three academic years of receiving funding, or sooner, as determined by the office of the Chancellor of the California Community Colleges.

(c) Funds appropriated pursuant to this section shall be available for encumbrance or expenditure until June 30, 2026.

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college

districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 85. (a) For the 2021–22 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support students in addressing food insecurity, including meal donation programs, food pantries serving students, CalFresh enrollment, or other means of directly providing nutrition assistance to students. The funds shall also be used to assist homeless and housing-insecure students in securing stable housing.

(b) The funds appropriated pursuant to subdivision (a) shall be available for encumbrance until June 30, 2024.

(c) On or before January 1, 2025, the office of the Chancellor of the California Community Colleges shall submit a report to the Department of Finance and relevant policy and fiscal committees of the Legislature regarding the use of the funds appropriated pursuant to subdivision (a), and the report may be combined with the report required pursuant to subparagraph (B) of paragraph (1) of Provision 17 of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2021. The report shall include, but is not necessarily be limited to, all of the following information:

(1) The amount of funds allocated pursuant to this section to each community college district.

(2) A descriptive summary of how the funds were spent, including other funds used to supplement the amount allocated pursuant to this section.

(3) A description of the types of programs in which community college districts invested the funds they were allocated pursuant to this section.

(4) A list of community college districts that accept or plan to accept electronic benefit transfer.

(5) A list of community college districts that participate or plan to participate in the CalFresh Restaurant Meals Program established pursuant to Section 2020 of Title 7 of the United States Code.

(6) A list of community college districts that offer or plan to offer emergency housing or assistance with long-term housing arrangements.

(7) A description of how community college districts leveraged or coordinated with other state or local resources to address housing and food insecurity, student mental health, and digital equity.

(8) A qualitative analysis describing how funds appropriated pursuant to this section reduced food insecurity and homelessness among students, improved student mental health and digital equity, and, if feasible, how the funds impacted student outcomes such as student persistence or completion.

(9) Other findings and best practices implemented by community college districts.

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section

41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 86. (a) For the 2021–22 fiscal year, the sum of twenty million dollars (\$20,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support the implementation of best practices for success in promoting equal employment opportunity and faculty and staff diversity at California community colleges, using the multiple methods model identified by the office of the Chancellor of the California Community Colleges’s Equal Employment Opportunity and Diversity Advisory Committee.

(b) Funds appropriated pursuant to this section shall be available for encumbrance or expenditure until June 30, 2023.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 87. (a) For the 2021–22 fiscal year, the sum of twenty million dollars (\$20,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges to strengthen the alignment of the community colleges with workforce initiatives administered by the California Workforce Development Board.

(b) (1) Of the funds appropriated pursuant to subdivision (a), ten million dollars (\$10,000,000) shall be used by the Chancellor of the California Community Colleges to award grants through a grant process developed by the office of the Chancellor of the California Community Colleges to support community colleges that are participating as partners, or seeking to become partners, in the California Workforce Development Board’s High Road Training Partnerships and High Road Construction Careers, including the High Road Training Partnerships and High Road Construction Careers funded pursuant to Provision 5 of Item 7120-101-0001 of Section 2.00 of the Budget Act of 2021.

(2) A community college receiving a grant pursuant to paragraph (1) shall focus on integrating community college priorities into High Road Training Partnership and High Road Construction Career programs, including, but not limited to, awarding credit for prior learning, creating work-based learning opportunities, providing academic and career supports, and providing an on-ramp to credit pathways that lead to industry-valued credentials or degrees.

(3) The grants funds awarded pursuant to paragraph (1) may be used for, but may not necessarily be limited to, the following:

(A) Personnel costs for employer engagement and partnership management activities.

(B) Program outreach and recruitment activities.

(C) Costs of program development, program materials, instruction, student job placement, coaching, and support activities.

(D) Training costs.

(E) Participant fees.

(F) Reasonable program operation costs.

(c) (1) Of the funds appropriated pursuant to subdivision (a), ten million dollars (\$10,000,000) shall be used by the Chancellor of the California Community Colleges to award grants through a grant process developed by the office of the Chancellor of the California Community Colleges to support community colleges participating in regional equity and recovery partnerships, which are regional partnerships of community college consortia and regionally organized local workforce development boards intended to connect workers most impacted by the COVID-19 pandemic to high-quality jobs in target and growth industry sectors, including regional equity and recovery partnerships funded pursuant to Provision 6 of Item 7120-101-0001 of Section 2.00 of the Budget Act of 2021.

(2) A participating community college receiving a grant pursuant to paragraph (1) shall focus on integrating community college priorities into programs identified and developed by regional equity and recovery partnerships, including, but not limited to, awarding credit for prior learning, creating work-based learning opportunities, providing academic and career supports, and providing an on-ramp to credit pathways that lead to industry-valued credentials or degrees.

(3) The grant funds awarded pursuant to paragraph (1) may be used for, but are not necessarily limited to, all of the following:

(A) Personnel costs for employer engagement and partnership management activities.

(B) Program outreach and recruitment activities.

(C) Costs of program customization and development, program materials, student job placement, coaching, and support activities.

(D) Instruction and training costs.

(E) Participant fees.

(F) Reasonable program operation costs.

(d) The office of the Chancellor of the California Community Colleges may use up to 5 percent of the funds appropriated for purposes of subdivisions (b) and (c) to provide technical assistance to support the capacity of community colleges working to integrate community college priorities into the California Workforce Development Board's High Road Training Partnerships and High Road Construction Careers and regional equity and recovery partnerships.

(e) Funds appropriated pursuant to this section shall be available for encumbrance or expenditure until June 30, 2026.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 88. (a) For the 2021–22 fiscal year, the sum of twenty million dollars (\$20,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation to community college districts to support a systemwide effort to, or as grants to community college districts to support district efforts to, provide culturally competent professional development for community college faculty, including in leveraging 21st century technology to improve learning outcomes.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 89. (a) As used in this section, “LGBTQ+” means lesbian, gay, bisexual, transgender, queer, and plus.

(b) For the 2021–22 fiscal year, the sum of ten million dollars (\$10,000,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for allocation by the office of the Chancellor of the California Community Colleges to community college districts to provide additional funds to support LGBTQ+ students. In allocating funds to participating community college districts, the chancellor’s office shall do all of the following:

(1) Enter into agreements with participating community college districts to provide additional funds to support LGBTQ+ students.

(2) Provide grants of up to five hundred thousand dollars (\$500,000) for participating community college districts based on the proportional share of students they serve and equity metrics to ensure that small rural colleges are also able to access to the grants. Participating community college districts may encumber the funds over a five-year period.

(c) Participating community college districts shall use this funding to provide needed services, based on best practices, to LGBTQ+ students. Community college districts may use the funds for the following services at the colleges they maintain:

(1) LGBTQ+ centers.

- (2) Development of safe zones and providing safe zone training.
- (3) Mental health services.
- (4) Housing insecurity services.
- (5) LGBTQ+ learning communities.
- (6) Support for gay and straight alliance clubs.
- (7) LGBTQ+ curriculum development.
- (8) Lavender graduation.
- (9) Workshops or speaker series.
- (10) Other proven initiatives.

(d) A participating community college shall provide a report to the office of the Chancellor of the California Community Colleges that reflects a plan regarding how it anticipates expending funds received pursuant to this section.

(e) The office of the Chancellor of the California Community Colleges shall report to the Legislature, pursuant to Section 9795 of the Government Code, on the use of funds appropriated pursuant to this section commencing one year after grants have been awarded to community college districts. The report shall include, but is not limited to, the number of colleges receiving funds, the amount per college, how colleges plan to use these funds, and any recommendations for future state funding to support the purposes of this section.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 90. (a) For the 2021–22 fiscal year, the sum of seventy-two million eight hundred fifty-two thousand dollars (\$72,852,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges to be allocated as follows:

(1) One million dollars (\$1,000,000) for allocation to Reedley College to support its aviation program. Funds may be used to support expansion and relocation of the flight science and aviation maintenance technology programs to Reedley Airport and allow the purchase of the necessary modular buildings, furnishings, training equipment, aircraft, and aircraft parts.

(2) Three million five hundred thousand dollars (\$3,500,000) for allocation to MiraCosta College to support the Cooperative Education Reskilling and Training Program. Funds may be used to support short-term programs offering disadvantaged and unemployed adults the opportunity to reskill while gaining on-the-job experience through paid internships.

(3) Six million six hundred thousand dollars (\$6,600,000) for allocation to Rio Hondo College to support the Water Reservoir Project. Funds may

be used to support installing a new water tank and replacing the underground hot water piping system on the campus.

(4) Two million dollars (\$2,000,000) for allocation to the Riverside Community College District to support the Military Articulation Platform. Funds may be used to support expansion of the program to translate military experience and training into college credit at Riverside City College and other colleges.

(5) Three million dollars (\$3,000,000) for allocation to Palo Verde College. Funds may be used to support construction costs for the Palo Verde College Child Development Center Relocation and Expansion Project.

(6) One million dollars (\$1,000,000) for allocation to Chaffey College to support the CORE Academy. Funds may be used to support employment training, mentoring, and a pipeline to job placement for low-income individuals to enter the fields of property management, property maintenance, and other related industries.

(7) Three million dollars (\$3,000,000) for allocation to the InTech Center at Chaffey College to support and equip a welding training facility that will offer the Iron and Steel Workers certification.

(8) Six million dollars (\$6,000,000) for allocation to Bakersfield College to expand and implement workforce training programs. Funds may be used for the following purposes:

(A) Expansion of the Rural Health Equity and Learning collaborative.

(B) Expansion of the certified nursing assistant and registered nurse programs.

(C) Provision of nursing scholarships for those students who volunteered to serve their community in vaccination clinics.

(D) Expansion of the Allied Health Simulation Laboratory.

(E) Expansion of the radiology technology mammography and sonography programs.

(F) Addition of the Mental Health Worker Certificate.

(G) Addition of postpandemic student health and wellness services.

(H) Provision of educational services to prevent chronic illness among at-risk rural residents.

(9) Seven hundred ten thousand dollars (\$710,000) for allocation for the following:

(A) Three hundred fifty-five thousand dollars (\$355,000) for allocation to the College of the Siskiyous to support its nursing program. Funds may be used to supplement salaries for full-time faculty.

(B) Three hundred fifty-five thousand dollars (\$355,000) for allocation to Shasta College to support its nursing program. Funds may be used to supplement salaries for full-time faculty.

(10) Four million fifteen thousand dollars (\$4,015,000) for allocation to the San Bernardino Community College District to support a partnership with KVCR TV.

(11) Five hundred thousand dollars (\$500,000) for allocation to the College of the Redwoods to support its nursing program. Funds may be used to support facilities construction, simulations, lab equipment, research

technology, and other educational opportunities provided through its nursing program.

(12) Four hundred thousand dollars (\$400,000) for allocation to Rio Hondo College to support its situational simulation training center. Funds may be used to purchase virtual reality equipment and to support the cost of curriculum development in response to Senate Bill 230 (Chapter 285 of the Statutes of 2019) and other emergencies.

(13) Five million dollars (\$5,000,000) for allocation by the office of the Chancellor of the California Community Colleges to community college districts to expand pathways to law school programs through the Community Colleges Pathway to Law School Initiative.

(14) One million dollars (\$1,000,000) for allocation to the San Jose-Evergreen Community College District to support planning and community engagement to explore ideas for development of vacant land owned by the district.

(15) Thirty-five million one hundred twenty-seven thousand dollars (\$35,127,000) for allocation to the San Diego College of Continuing Education to support the renovation and remodel of the historical theater and community room at the Educational Cultural Complex building.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made pursuant to this section shall be deemed to be “General Fund revenues appropriated for community college districts,” as defined in subdivision (d) of Section 41202 of the Education Code, for the 2020–21 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2020–21 fiscal year.

SEC. 91. The Legislature finds and declares that Section 8 of this act, which adds Section 10872 to the Education Code, imposes a limitation on the public’s right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

To protect the privacy of the state’s pupils, whose academic achievement data is collected and analyzed in an effort to improve the elementary, secondary, and postsecondary educational segments that are so vital to the economy of this state and the well-being of its residents, it is necessary to limit public access to the records of the Cradle-to-Career Data System.

SEC. 92. The Legislature finds and declares that Section 56 of this act, which adds Section 69996.9 to the Education Code, imposes a limitation on the public’s right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

To protect the privacy of the state's pupils with child savings accounts established under the California Kids Investment and Development Savings Program, it is necessary to limit public access to individual records or source data associated with the establishment of these accounts.

SEC. 93. For purposes of Section 15 of this act, the Legislature finds and declares all of the following:

(a) California students are struggling to meet their basic needs and are facing housing insecurity, including homelessness, and food insecurity at alarming rates.

(b) A report released in March 2019 by the office of the Chancellor of the California Community Colleges and the Hope Center for College, Community, and Justice found that 19 percent of the survey's respondents experienced homelessness in the previous year, 60 percent of respondents were housing insecure in the previous year, and 50 percent of respondents were food insecure in the prior 30 days.

(c) Some groups of students are disproportionately impacted by basic needs insecurity. Students of color, first-generation college students, financial aid recipients, former foster youth, and student parents are at much higher risk.

(d) Basic needs insecurity has a direct impact on student academic success. Students experiencing basic needs insecurity are much more likely to not buy textbooks, to miss, drop, or fail classes, and to withdraw from school entirely. In addition, these students consistently report high levels of stress and other mental health issues, which negatively impact academic performance and health in general.

(e) Addressing Homelessness and Housing Insecurity in Higher Education, a book that provides research-based information and tools for educators and higher education professionals to build effective institutional supports for college students facing housing insecurity, found all of the following:

(1) "Understanding how basic needs insecurity exists on and around your campus is an important first step. In order to develop a more fully informed understanding of students' unmet basic needs on your campus, we recommend that you use a mix of survey data collection to learn about the size and scope of the issues as well as using interviews and focus groups to illustrate the experiences from the viewpoints of students. Additionally, you can include institutional data you previously gathered about student demographics, financial aid use, and the cost of living that may be helpful for expanding the findings of your institution's evaluation."

(2) "Students who need support often have a difficult time finding and accessing supports on campus. Campuses can have complex interlocking or disconnected systems that can be difficult to negotiate while managing the stress of homelessness. Students must traverse through complicated financial aid processes and seek appropriate campus support services, while managing courses and other responsibilities."

(3) "A centralized and coordinated effort can more easily be publicized in a way that all students can benefit. Developing a coordinated strategy

increases the likelihood that students, faculty, and staff can more easily access the various forms of support.”

(4) “Research and anecdotal feedback indicate that students who have a single point of contact experienced feelings of campus connection, care, and success in their university communities. Additionally, single point of contact staff can destigmatize students’ use of on-campus supportive services.”

(5) “We recommend creating an integrated approach that includes housing and food insecurity programming working collaboratively. Both services should be in a centrally located space on campus. Students applying to one service should be given information about the other services.”

(6) “Having a web presence with information about services available is important. Students may resist disclosing their circumstances to another person, but they may feel more confident in doing so if they have had the opportunity to explore available resources electronically. Creating a webpage with available resources as well as short stories normalizing students’ circumstances can be a helpful tool in identifying students who need support.”

(f) Community colleges have begun taking steps to meet the basic needs of their students through food pantries, housing-related efforts, and other services and resources. However, students have expressed that the current system is often fragmented, with no single point of contact tasked with overseeing existing basic needs services and resources.

(g) Some community colleges are already moving in the direction of a more coordinated and integrated approach.

SEC. 94. (a) For purposes of Section 63 of this act, the Legislature finds and declares all of the following:

(1) The state’s attorney workforce does not accurately represent the diversity of the state, which can significantly impact administration of justice, access to appropriate representation, and workplace satisfaction.

(2) According to the statistics published by the State Bar of California, despite significant growth in the proportion of attorneys who are women and people of color over the past 30 years, California’s attorney population does not reflect the state’s diversity, with Latinos being particularly underrepresented.

(3) Additionally, according to the State Bar of California’s “First Annual Report Card on the Diversity of California’s Legal Profession,” White attorneys account for nearly 70 percent of California’s active licensed attorney population, while people of color constitute 60 percent of the state’s population.

(4) These same statistics are reflected in the judicial branch. While there has been increased focus on diversity within the ranks of justices and judges, White judges account for nearly 66 percent of justices in the trial courts, courts of appeal, and the California Supreme Court.

(5) A statewide initiative was established in 2011 through the California Partnership Academies focused on high school law academies, with a specific mission of building a diverse educational pipeline from high school to law

school. Brought together through a unique partnership between the State Department of Education and the State Bar of California, this pipeline has expanded to include higher education partners with the creation of the Community College Pathway to Law School initiative. In 2015, California LAW (Leadership, Access, Workforce) Pathways was formed to merge both statewide.

(6) Since its inception, California LAW Pathways has grown to include agreements with 21 high school law academies, 30 community colleges, 10 undergraduate four-year universities, and 10 law schools.

(7) California LAW Pathways is designed to fit seamlessly into the existing educational system.

(8) California LAW Pathways uses the framework of the highly effective California Partnership Academies for underrepresented students, and is designed to align with the “Vision for Success” of the office of the Chancellor of the California Community Colleges.

(9) There are currently more than 700 community college students and 3,000 high school pupils enrolled in the program statewide. Of these high school pupils, 87 percent are underrepresented minorities and the program has a 98-percent graduation rate.

(10) California LAW Pathways creates a model pipeline to help close the diversity gap in the state’s attorney workforce population.

(b) Therefore, it is the intent of the Legislature to enable more students to participate in pathways to law school programs and diversify the future workforce in the state.

SEC. 95. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 96. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

O

THIRD READING

Bill No: AB 132
Author: Committee on Budget
Amended: 7/9/21 in Senate
Vote: 21

SENATE BUDGET & FISCAL REVIEW COMMITTEE: 15-2, 7/14/21
AYES: Skinner, Nielsen, Caballero, Cortese, Durazo, Eggman, Kamlager, Laird,
McGuire, Min, Newman, Ochoa Bogh, Pan, Stern, Wieckowski
NOES: Dahle, Melendez
NO VOTE RECORDED: Grove

ASSEMBLY FLOOR: Not relevant

SUBJECT: Postsecondary education trailer bill

SOURCE: Author

DIGEST: This bill makes necessary changes to implement the higher education provisions adopted as a part of the Budget Act of 2021.

ANALYSIS: This bill makes various statutory changes to implement the higher education provisions of the 2021-22 Budget. Specifically, this bill:

- 1) *Cradle to Career Data System*. Establishes the Cradle to Career Data System to link data on student progress through education, workforce training, employment, health and social services. Specifies that the data system shall support user-facing tools and services to students, educators, parents, and advisers. Specifies that the data system shall be subject to the Project Approval Lifecycle at the Department of Technology, and shall comply with state and federal privacy laws. This bill establishes the Office of Cradle-to-Career Data within Government Operations Agency until July 1, 2026. This bill also establishes a governing board comprised of 21 members, including representatives from higher education, various state departments, eight members of the public appointed by the Governor and Legislature, and two representatives of the Legislature.

- 2) *Free Application for Federal Student Aid (FAFSA) Requirement.* Requires local education agencies, starting in the 2022-23 school year, to confirm that students complete and submit FAFSA and Dream Act applications. This bill also authorizes students or families to opt out of this requirement and requires local education agencies to direct families to support and services to comply with this requirement. This bill specifies that information shared by parents and students be handled in compliance of federal and state privacy laws.
- 3) *University of California (UC) Institutional Aid.* Extends by two years, until June 30, 2023, the ability for UC to provide scholarships from non-state funds to students.
- 4) *California Community College (CCC) Basic Needs Center and Coordinators.* Requires each community college by July 1, 2022 to: (a) establish a position of the Basic Needs Coordinator to be the point of contact for students experiencing basic needs insecurity, and (b) establish a basic needs center to provide basic needs services and resources to students. Each basic needs center must provide information on how to enroll in CalFresh and other government benefit programs, are encouraged to coordinate with their financial aid department, and coordinate with local homeless response systems. Requires the Chancellor's Office to submit an annual report, starting on May 1, 2023, on information regarding use of funds provided in the budget act, description of services provided, demographic information on students served, and outcomes of these students, among others.
- 5) *Dual Admissions Pathways.* Establishes the Dual Admissions Pathway at UC and California State University (CSU) for first-time freshman applicants starting in the 2023-24 through the 2025-26 academic year. The dual admissions agreement guarantees that a student will: (a) be admitted to the campus of their choice if the student completes and associates degree or an established course of study for transfer within two academic years at a CCC, and (b) have access to library, counseling and other services from the UC or CSU campus nearest to their primary residence. This bill requires UC and CSU to report by April 1, 2026 on the program, including college participants, description of services and information on program applicants and student outcomes.
- 6) *Cal Grant Expansion.* Establishes the California Community College Expanded Entitlement Awards, which eliminates the age and time out of high school Cal Grant eligibility requirements for eligible CCC students. Specifies that CCC Expanded Entitlement Awards may retain their Cal Grant Award

when they transfer to a UC or CSU. This bill adjusts the authorized number of competitive Cal Grants to conform to the CCC Expanded Entitlement Award. This bill also increases the statutory cap on the Cal Grant for Students with Dependents from \$125 million to \$250 million to maintain the maximum access award of \$6,000 for student parents.

- 7) *Cal Grant Awards for Foster Youth*. Provides \$6,000 in non-tuition support for Cal Grant students who are former foster youth.
- 8) *Private Nonprofit Cal Grant Awards*. Increases the private nonprofit Cal Grant tuition award from \$9,084 to \$9,220. This bill also delays by one-year, from 2022-23 to 2023-24, the requirement for private nonprofits associate degree to meet certain associate degree for transfer commitments.
- 9) *Golden State Teachers Grant Program*. Makes technical changes to the Golden State Teacher Grant Program, which provides financial aid to teacher certification students. Extends expenditure date until 2024, allows eligibility for transitional kindergarten certificate students, and redefines priority schools to specify 55 percent or more of its pupils as unduplicated.
- 10) *Golden State Education and Training Grant Program*. Creates the Golden State Education and Training Grant Program, to be administered by the California Student Aid Commission, which provides education and training grants of up to \$2,500 for workers displaced by COVID-19. Grant recipients may use funds to cover costs of higher education or other training programs.
- 11) *Cal Grant A Eligibility Restoration*. Modifies for the 2020-21 and 2021-22 award year, a Cal Grant A recipient's eligibility who is impacted by a change of living arrangement due to the pandemic, and specifies that their eligibility would be based on their financial need would have been if they had remained on campus.
- 12) *Learning Aligned Employment*. Establishes the Learning Aligned Employment program, a state work-study program for students attending the UC, CSU, and CCC, to be administered by California Student Aid Commission. This program is available for students from an underrepresented background who is enrolled at least part time, a resident student and maintains satisfactory academic progress, and demonstrate financial need. The learning aligned employment position is to be related to the student's area of study or career interest. Students must be placed with employers that are able to provide them with or connect them to full-time employment opportunities upon graduation.

- 13) *College Savings Program*. Expands the CalKIDS college savings program to make it an ongoing program, providing all California newborns with a college savings account, and additional funding for college savings accounts for low-income K-12 students.
- 14) *Middle Class Scholarship*. Specifies that starting with the 2022-23 academic year, an eligible student shall receive a Middle Class Scholarship that helps cover the total cost of attendance at UC and CSU. The award amount for each student is the difference between the cost of attendance and other financial aid and family and student contributions. This bill adjusts the 2020-21 and 2021-22 appropriation for the program to \$117 million each based on projected caseload. Starting with the 2022-23, the annual appropriation for the program is determined by the budget act.
- 15) *CCC Federal Funds for Student Fees*. Authorizes community colleges to use federal emergency relief funds to waive student fees for students who have unpaid fees due to impacts of COVID-19.
- 16) *CCC Zero-Textbook-Cost Degrees*. Provides \$115 million one-time Proposition 98 General Fund for zero-textbook-cost degrees. This bill amends the CCC zero-textbook cost degrees program to also include open educational resources for courses, clarifies that zero-textbook cost degrees may also include low-cost degrees if no-cost degrees are not available.
- 17) *CCC Deferrals*. Retires all community college deferrals, totaling \$1.3 billion, created in the 2020 Budget Act.
- 18) *CCC Student Centered Funding Formula*. Extends the CCC Student Centered Funding Formula hold harmless provision from 2023-24 to 2024-25.
- 19) *CCC Pathways to Law School Program*. Establishes the CCC Pathways to Law School Program to expand pathways to law school programs by supporting dual enrollment partnerships, partnerships with CSU and UC to expand or implement transfer pathways and student support services at the CCCs. This bill also provides \$5 million one-time Proposition 98 General Fund for this purpose.
- 20) *CSU Early Start Program Report*. Repeals the requirement for the Legislative Analyst's Office to submit a report on the CSU Early Start Program to the Legislature.
- 21) *UC and CSU Summer Financial Aid*. Repeals the suspension language for UC and CSU summer financial aid.

- 22) *Animal Shelter Assistance Act*. Establishes the Animal Shelter Assistance Act to provide competitive grants for outreach, regional conferences and resources on best practices for improving animal health and care in animal shelters, and in person assessments and training for local animal control agencies or shelters, societies for prevention of cruelty to animals, and humane societies. This bill requires UC to report by March 31, 2023 and March 31, 2026 on the use of funds, activities supported, list of grantees and analysis of the programs impact.
- 23) *UC Nonresident Enrollment*. Specifies that it is the intent of the Legislature that UC limit the share of nonresident students at every campus to no more than 18 percent of the campus undergraduate enrollment. Specifies that it is the intent of the Legislature to provide appropriations to UC to gradually make progress towards achieving this policy at University of California, Berkeley, University of California, Los Angeles, and University of California, San Diego campuses.
- 24) *Bench-to-School Initiative*. Creates the California Institute on Law, Neuroscience and Education, a collaboration between the Memory and Aging Center of UCSF, Hastings College of the Law, and the UC/CSU California Collaborative for Neurodiversity and Learning to conduct research on the impacts that socioeconomic factors' have on learning, and to transfer that research to educational settings by developing curriculum, professional development and classroom interventions.
- 25) *California Veterinary Emergency Team Program*. Establishes the California Veterinary Emergency Team to assist in the support and training of government agencies, nongovernmental organizations and individuals to assist in the evacuation and care of household and domestic animals and livestock in emergencies statewide. The program shall also conduct or support research on best practices for evaluation and care of animals in disasters.
- 26) *State Grants Portal*. Requires state agencies to provide the State Library post award data for grants by July 1, 2022. Specifies that the data include various information including the number of grants awarded and information about the award recipient and geographic location served.
- 27) *CCC College Buys Program*. Extends the sunset date for the College Buys program from July 1, 2022, to July 1, 2023. This program allows procurement of goods and services in bulk for community college system.

- 28) *Part Time Faculty Office Hours*. Provides \$90 million one-time Proposition 98 General Fund to support increases to community college part-time faculty office hours.
- 29) *Student Aid Commission Adjustments*. Adjusts the 2020-21 California Student Aid Commission budget to reflect caseload adjustments.
- 30) *College Access Tax Credit Fund*. Increases the 2020 appropriation for the College Access Tax Credit by \$760,000 to reflect updated fund estimates.
- 31) *CCC Deferred Maintenance*. Appropriates \$511 million one-time Proposition 98 General Fund to support CCC deferred maintenance projects.
- 32) *CCC Student Retention*. Appropriates \$100 million one-time to CCCs to support efforts to increase student retention rates and enrollment, including engaging former students who have withdrawn due to the pandemic, current community colleges who may be hesitant to enroll, and prospective students.
- 33) *CCC Guided Pathways Program*. Provides \$50 million one-time for the continued implementation of the CCC Guided Pathways program. This bill requires colleges to submit a plan outlining plans to implement guided pathways program, and integrate student success programs. This bill also requires the Chancellor's Office to report on each colleges progress towards implementing guided pathways activities and practices.
- 34) *CCC Student Basic Needs*. Provides \$100 million one-time to address CCC student basic needs including food insecurity and to assist homeless and housing-insecure students in securing stable housing. This bill requires the Chancellors Office to report to the Legislature by January 1, 2025 on use of funds.
- 35) *CCC Equal Employment Opportunity*. Provides \$20 million one-time to community college districts to support the implementation of best practices for success in promoting equal opportunity employment and faculty and staff diversity at the CCCs.
- 36) *CCC High Road Training Partnerships*. Provides \$20 million for CCCs to establish and expand High Road Training Partnerships and High Road Construction Careers, as well as regional equity partnerships with local workforce development boards.

- 37) *CCC Faculty Professional Development*. Provides \$20 million one-time to community college districts to support culturally competent professional development for CCC faculty.
- 38) *CCC Lesbian, Gay, Bisexual, Transgender, Queer, and Plus (LGBTQ +) Student Support*. Appropriates \$10 million one-time to support LGBTQ+ student services at CCCs, including student centers, LGBTQ+ learning communities, curriculum development, mental health services and other activities.
- 39) *Various CCC Appropriations*. Provides \$72.8 million Proposition 98 General Fund one-time for various CCC investments, including: \$6.6 million to Rio Hondo College to support the Water Reservoir Project, \$2 million for Riverside Community College District to support the Military Articulation Platform, \$6 million to Bakersfield College to support workforce training programs, \$35 million for San Diego College of Continuing Education to support the renovation of the Educational Cultural Complex, \$500,000 for the College of Redwoods nursing program, among others.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

According to the Senate Budget and Fiscal Review Committee, this bill is a budget trailer bill within the overall 2021-22 Budget package to implement actions related to higher education, and makes various appropriations.

SUPPORT: (Verified 7/12/21)

None received

OPPOSITION: (Verified 7/12/21)

None received

Prepared by: Anita Lee / B. & F.R. / 916-651-4103
7/15/21 7:59:11

**** END ****

Cal. Ed. Code § 51225.7

Section 51225.7 - Pupils to submit a Free Application for Federal Student Aid or California Dream Act form

(a) For purposes of this section, the following definitions apply:

(1) "Local educational agency" means a school district, county office of education, or charter school.

(2) "Opt-out form" means a form developed by the Student Aid Commission that permits parents, legal guardians, a legally emancipated pupil, a pupil who is 18 years of age or older, or a local educational agency on a pupil's behalf to not fill out a Free Application for Federal Student Aid or California Dream Act Application for any reason.

(3) "Outreach program" means a nonprofit entity that is exempt from taxation pursuant to Section 501(c)(3)(c)(3) of the United States Internal Revenue Code or a public entity with experience in either or both of the following:

(A) Assisting pupils with financial aid application completion.

(B) Serving pupils who are eligible to submit a California Dream Act application.

(4) "Pupil" means a pupil in grade 12 attending a high school maintained by a local educational agency.

(b) Commencing with the 2022-23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency shall confirm that a pupil complies with at least one of the following:

(1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.

(2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.

(c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (h).

(d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf.



casetext

(e) The governing board or body of the local educational agency shall ensure both of the following:

(1) The local educational agency directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement described in subdivision (b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.

(f) On or before September 1, 2022, and each year thereafter, the Student Aid Commission and the department shall facilitate the completion of the Free Application for Federal Student Aid and the form established pursuant to Section 69508.5 for purposes of the California Dream Act in the following manner:

(1) The department shall share the current school year's roster of pupils with the Student Aid Commission.

(2) The Student Aid Commission shall match the data described in paragraph (1) with a pupil's application status based on the data possessed by the Student Aid Commission related to submission of the Free Application for Federal Student Aid and the form established pursuant to Section 69508.5 for purposes of the California Dream Act.

(g) It is the intent of the Legislature that, upon the implementation of the California Cradle-to-Career Data System established in Section 10860, future data matching required by paragraph (2) of subdivision (f) be linked through, and conducted in accordance with the privacy requirements of, the California Cradle-to-Career Data System, to avoid a duplicative data matching requirement and to ensure data privacy.

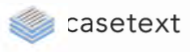
(h) The Student Aid Commission shall, on or before July 1, 2022, adopt regulations that include, but are not limited to, model opt-out forms and acceptable use policies for the purpose of providing guidance on the requirements relating to state law in paragraph (2) of subdivision (e). The Student Aid Commission shall post and make available any model opt-out forms and policies established pursuant to this subdivision on its internet website.

(i) A pupil who does not fulfill the requirements of this section shall not be penalized or punished and this section shall not affect a pupil's ability to graduate.

Ca. Educ. Code § 51225.7

Amended by Stats 2021 ch 560 (AB 469), s 2, eff. 1/1/2022.

Added by Stats 2021 ch 144 (AB 132), s 10, eff. 7/27/2021.



§ 30035. Purpose and Applicability.

5 CA ADC § 30035 Barclays Official California Code of Regulations

Barclays California Code of Regulations

Title 5. Education

Division 4. California Student Aid Commission

Chapter 1. California Student Aid Commission

Article 3.1. Model Opt-Out Form for the Free Application for Federal Student Aid (Fafsa) or the California Dream Act Application (Cadaa) Completion Requirement; and Model Acceptable Use Policy for Handling Personal Information

5 CCR § 30035

§ 30035. Purpose and Applicability.

[Currentness](#)

This Article provides:

- (a) a model opt-out form for local educational agencies to document grade 12 pupils who elect not to submit, or are determined to be exempt from submitting, a Free Application for Federal Student Aid, or a California Dream Act Application in accordance with Education Code Section 51225.7(c) and (d), attached as Appendix A.
- (b) a model acceptable use policy for the secure handling of parent, guardian, and pupil personal information gathered by local education agencies pursuant to Education Code Section 51225.7(e)(2), attached as Appendix B.

Credits

NOTE: Authority cited: Section 51225.7, Education Code. Reference: Section 51225.7, Education Code

HISTORY

1. New article 3.1 (section 30035), new section and new Appendices A and B filed 5-10-2022; operative 7-1-2022 (Register 2022, No. 19).

This database is current through 6/16/23 Register 2023, No. 24.

Cal. Admin. Code tit. 5, § 30035, 5 CA ADC § 30035

Appendix A

5 CA ADC Div. 4 Art. 3.1 App. Barclays Official California Code of Regulations

Barclays California Code of Regulations

Title 5. Education

Division 4. California Student Aid Commission

Chapter 1. California Student Aid Commission

Article 3.1. Model Opt-Out Form for the Free Application for Federal Student Aid (Fafsa) or the California Dream Act Application (Cadaa) Completion Requirement; and Model Acceptable Use Policy for Handling Personal Information

5 CCR Div. 4 Art. 3.1 App. A

Appendix A

[Currentness](#)

MODEL FAFSA or CADAA Opt-Out Form

The Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA) determines a pupil's eligibility for financial aid to assist with a pupil's attendance at a college or career school. California Education Code (CEC) § 51225.7 requires a local educational agency to confirm each 12th grade pupil's completion and submission of a FAFSA or CADAA unless the pupil is determined to be exempt or an opt-out form is completed by a pupil who is a legally emancipated minor, a pupil who is 18 years or older, a legal guardian, or parent, or a local educational agency on a pupil's behalf. This opt-out form permits a pupil to **opt out** of the completion of a FAFSA or CADAA form.

To opt a pupil out of the Financial Aid Application requirement, please complete this form and return it to your local high school counselor by the date established at your local school district.

Submitting a *Financial Aid Application Opt-Out Form* does not prohibit a pupil from completing and submitting a financial aid application at any time in the future.

PUPIL INFORMATION

Pupil Name (First, Last)	
Date of Birth (Month, Day, Year)	
Statewide Student Identifier (SSID)	
Option 1 - Pupil Authorization (emancipated minor or age 18 or older): By signing this form, I have read and CADAA are, and I choose not to submit the completed financial aid application.	
Pupil Signature	Pupil Printed Name
Option 2 - Parent or Guardian Authorization: The pupil named on this form is under the age of 18. I am a this form I have read the information on the reverse, I understand what the FAFSA and CADAA are, an aid application.	
Parent/Guardian Signature	Parent/Guardian Printed Name
Option 3 - Counselor Authorization: My signature below certifies that reasonable efforts to ensure the pupil have determined the pupil is unable to complete requirements of Education Code Section 51225.7.	
Counselor Signature	Counselor Printed Name

Frequently Asked Questions about the Free Application for Federal Student Aid (FAFSA) and the California Dream Act Application (CADAA)

“What is the FAFSA/CADAA?” The Free Application for Federal Student Aid (FAFSA) is the online application that allows a pupil to apply simultaneously for federal student aid (including the Federal Pell Grant, work-study opportunities, and federal student loans) and state financial aid such as the Cal Grant program. Many colleges and universities use it for their aid programs, too. The California Dream Act Application (CADAA) is a similar application that provides a path for some pupil who do not qualify for federal aid to apply for state and University-funded assistance. Applying for the FAFSA/CADAA could qualify you for free money through federal, state and university grants and scholarships that help cover the cost of your education.

“Do I need to have citizenship or DACA to apply for financial aid?” No, while you must be a citizen to apply for federal financial aid through the FAFSA, the CADAA is available to any California student that meets what is called “AB 540 criteria” that qualifies them for in-state tuition rates at a University of California or California State University campus, as well as state financial aid like the Cal Grant. Before deciding whether to apply, you can check <https://www.csac.ca.gov/undocumented-dreamer-students> to understand if you might be eligible for financial aid.

“Isn't the application too long and difficult to complete?” Most applicants complete the FAFSA or CADAA in about 30 minutes. If you have questions, talk to your school counselor. If you need assistance with your application, sign up for a local “Cash for College Workshop” at: <https://www.cash4college.csac.ca.gov/>.

“If I want to learn a trade, can the FAFSA/CADAA still be of assistance to me?” The FAFSA/CADAA applications are not just for California associate's or bachelor's degree programs! FAFSA applicants can receive need-based Federal Pell grants, federal student loans, and other federal student aid for technical, trade, and vocational programs. CADAA applicants also have state financial aid opportunities at community colleges and at other schools and training programs. Pupils can check with the school they want to attend or use the federal government's online College Navigator tool to find out which institutions participate in the programs: <https://nces.ed.gov/collegenavigator/>

“Does my family make too much money to benefit from the FAFSA/CADAA?” Financial aid is left on the table every year by pupils who didn't apply because they erroneously thought they were ineligible. You really don't know until you apply! Income and assets are factors in determining your eligibility, but so are things like the number of pupils in the family who are in school and the age of the parent(s). For pupils from families that **do** make too much to qualify for need-based grant aid, the FAFSA/CADAA can still be helpful, since it is used to determine eligibility for other federal and state financial aid such as the Middle Class Scholarship, work-study programs, federal student loans (usually at competitive rates and with more borrower protections than private loans, including options for income-based repayment and forgiveness programs for some careers) DREAM loans for CADAA applicants at UC and CSU campuses, and other types of aid. Your college may offer aid based on your FAFSA/CADAA info too, and your eligibility may be different depending on your school. Additionally, some scholarship programs use information from the FAFSA/CADAA as

part of the application process. As most financial aid is awarded in date order based on FAFSA/CADAA filing date, it is a very good idea to complete the application as early as possible. This “place in line” can be used for opportunities that come up later, and also can be used if family financial circumstances suddenly change.

“What if I don’t want a student loan?” Filing the application **doesn’t** commit you to anything. You’ll just find out whether you might be eligible for aid!

“How is the FAFSA/CADAA data protected?” “I don’t want my information sold, and I don’t want my school to have it.” By law, your personally identifiable Information (PII) in the FAFSA can only be used in furtherance of administering financial aid, including research. Although your high school will know whether you completed the FAFSA, it will not have access to the information that you provide on your FAFSA. The California Student Aid Commission (CSAC) released a joint statement with the California Department of Education stating, “The information provided via the California Dream Act Application is used solely to determine eligibility for state financial aid and isn’t shared with the federal government or used for immigration enforcement purposes. The CSAC will protect this information to the fullest extent of the law.” To read the full statement, visit [https://www.csac.ca.gov/post/joint-message-california-department\[1\]education-and-california-student-aid-commission](https://www.csac.ca.gov/post/joint-message-california-department[1]education-and-california-student-aid-commission)

“If I choose to file an application, how will I know that my application is complete?” Once you submit the FAFSA or the CADAA, you will receive a confirmation of receipt at the email address you provided in the application. This will allow you to demonstrate that you’ve met the requirement of filing an application even if there are circumstances that will need to be addressed with the college/university’s financial aid office later.

This database is current through 6/16/23 Register 2023, No. 24.

Cal. Admin. Code tit. 5, Div. 4 Art. 3.1 App. A, 5 CA ADC Div. 4 Art. 3.1 App. A

Appendix B

5 CA ADC Div. 4 Art. 3.1 App. Barclays Official California Code of Regulations

Barclays California Code of Regulations

Title 5. Education

Division 4. California Student Aid Commission

Chapter 1. California Student Aid Commission

Article 3.1. Model Opt-Out Form for the Free Application for Federal Student Aid (Fafsa) or the California Dream Act Application (Cadaa) Completion Requirement; and Model Acceptable Use Policy for Handling Personal Information

5 CCR Div. 4 Art. 3.1 App. B

Appendix B

[Currentness](#)

[Local Education Agency]

Free Application for Federal Student Aid (FAFSA) or the California Dream Act Application (CADAA)

Completion Requirement

Education Code Section 51227.5

MODEL Acceptable Use Policy

Introduction and Overview

Education Code Section 51225.7, enacted in 2021, requires that each local educational agency ensure that each 12th grade pupil complete specified financial aid applications, opt-out of the requirement, or be determined exempt from the requirement. To assist in complying with Section 51225.7, certain confidential information related to pupils' completion of those applications may be shared with [local educational agency]. The purpose of this policy is to ensure that [local educational agency], its staff and contractors, comply with state laws related to the confidentiality and privacy of information shared by parents, legal guardians, and pupils under Section 51225.7, as well as confidential information that may be shared with [local educational agency] by other government agencies, and to protect against the unauthorized disclosure of Confidential Information provided to [local educational agency].

Failure to ensure the confidentiality of Confidential Information provided to [local educational agency] to ensure compliance with Section 51225.7 could result in a violation of state law and an invasion of parents' and pupils' rights to privacy in their financial and educational records.

Policy

Disclosure of Confidential Information shall be limited solely to personnel having the need and authorization to access such information. [Local educational agency]'s employees, contractors, consultants and temporary employees having access to [local educational agency]'s information assets (data and systems) or to the specific Confidential Information provided to the [local educational agency] for purpose of Education Code Section 51225.7, shall acknowledge adherence to this policy and sign an information security and confidentiality agreement provided by [local educational agency].

State Law Requirements

[Local Educational Agency] designates [XXXXXXXX], [Position] as the individual responsible for implementing this policy and ensuring compliance with its provisions. [XXXXXX] shall maintain in writing [local educational agency] policies and procedures that support this policy, maintain a list of staff, contractors, and other individuals who have access to confidential information pursuant to this policy, and ensure all such individuals are included in [local educational agency]'s annual information security and privacy awareness training.

[Local educational agency] will ensure that it handles any Confidential Information it collects for purposes of complying with Education Code Section 51225.7 in a manner consistent with the following state laws, where applicable, and with any policies and procedures [local educational agency] has adopted in furtherance of these laws:

(1) the California Information Practices Act (California Civil Code Sections 1798, et seq.);

(2) California's Pupil Protections Relating to Immigration and Citizenship Status provisions (Education Code Section 234.7).

(3) California's Values Act (Government Code Sections 7284, et seq.);

(4) California Student Online Personal Information Practice Act (Business and Professions Code Sections 22584, et seq.);

(5) Third Party Contracts for the digital storage, maintenance, and retrieval of student records (Education Code Section 49073.1);

(6) Pupil Records (Education Code Sections 49060, et seq. and any related regulations); and

(7) California's Public Records Act (Government Code Sections 6250, et seq.)

In addition to the foregoing, the following conditions apply to [local education agency]'s management of Confidential Information collected or maintained by it in furtherance of the requirements of Education Code Section 51225.7:

- [Local educational agency] will ensure that Confidential information will be maintained on a secure data infrastructure with appropriate levels of security for the data based on the Federal Information Processing Standards Publication 199 protection levels.

Confidential Information will not be copied to other computers and will not physically leave [local educational agency]'s data infrastructure, [local educational agency] will apply security patches and upgrades and keep virus software up-to-date on all systems on which data may be used.

- If transfer of Confidential Information to a third party is necessary, [local educational agency] will ensure such transfer is only made for purposes of furthering [local educational agency]'s obligations pursuant to Education Code Section 51225.7 and that such transfers are only made to parties covered by this acceptable use policy, or which are otherwise bound by the same requirements as this policy. In addition, any such transfer will be made in a secure manner, such as secure file transfer protocol, an encrypted cloud-based solution, or an encrypted hard drive.

- The [local educational agency] shall not disclose of any Confidential Information in [local educational agency]'s possession pursuant to fulfilling its obligations under Education Code Section 51225.7 if the disclosure is not authorized by Family Educational Rights and Privacy Act (FERPA) or applicable state laws.

- The [local educational agency] shall not disclose Confidential Information to third parties not covered by this acceptable use policy without the written consent of the pupil, or a parent or guardian when the pupil is a minor. Written consent shall include: (1) the signature and date of the parent, guardian, or eligible pupil providing consent; (2) a description of the records to be disclosed; (3) the reason for release of information; (4) the parties or class of parties receiving the information; and (5) if requested by the parents, guardians or eligible pupil, a copy of the records to be released. The [local educational agency] shall permanently keep the consent notice with the pupil record file. If a pupil, parent, or guardian chooses not to provide information that could assist [local educational agency] in meeting its obligations pursuant to Education Code Section 51225.7, [local educational agency] shall not use such actions as a basis to discriminate against any pupils or families or bar children from enrolling or attending school or discipline the pupil in any fashion.

Definition of Key Terms

“FAFSA” means the Free Application for Federal Student Aid.

“CADAA” means the California Dream Act Application.

“FAFSA/CADAA Completion Requirements” means the requirements contained in Education Code Section 51225.7 that local educational agencies ensure that each 12th grade pupil either (1) complete a FAFSA or CADAA application; (2) opt out of the completion requirement; or (3) is otherwise exempt from the requirement.

“Confidential Information” means any information shared by parents, legal guardians, and pupils to assist [local educational agency] in complying with Education Section 51225.7, as well as information related to a pupil's FAFSA or CADAA status that is provided to [local educational agency] by the California Student Aid Commission, California Department of Education, or other entity; and any similar information created by [local educational agency] related to its compliance with Education Code Section 51225.7.

Please visit [insert LEA privacy policy link] for the [insert LEA] privacy statement.

This database is current through 6/16/23 Register 2023, No. 24.

Cal. Admin. Code tit. 5, Div. 4 Art. 3.1 App. B, 5 CA ADC Div. 4 Art. 3.1 App. B

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On July 7, 2023, I served the:

- **Notice of Complete Test Claim, Schedule for Comments, and Notice of Tentative Hearing Date issued July 7, 2023**
- **Test Claim filed by the Fresno Unified School District on June 23, 2023**

Free Application for Federal Student Aid (FAFSA), 22-TC-05

Statutes 2021, Chapter 144, Sections 10 (AB 132); Education Code Section 51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective July 27, 2021

Fresno Unified School District, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on July 7, 2023 at Sacramento, California.



Jill L. Magee

Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 7/7/23

Claim Number: 22-TC-05

Matter: Free Application for Federal Student Aid (FAFSA)

Claimant: Fresno Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

Amber Alexander, *Department of Finance*

Education Systems Unit, 915 L Street, 7th Floor, Sacramento, Ca

Phone: (916) 445-0328

Amber.Alexander@dof.ca.gov

Michael Alferes, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95816

Phone: (916) 319-8332

michael.alferes@lao.ca.gov

Lili Apgar, Specialist, *State Controller's Office*

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 324-0254

lapgar@sco.ca.gov

Socorro Aquino, *State Controller's Office*

Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 322-7522

SAquino@sco.ca.gov

Harmeet Barkschat, *Mandate Resource Services, LLC*

5325 Elkhorn Blvd. #307, Sacramento, CA 95842

Phone: (916) 727-1350

harmeet@comcast.net

Keith Bray, General Counsel/Chief of Staff, *California School Boards Association*

3251 Beacon Blvd, West Sacramento, CA 95691

Phone: (916) 669-3273

kbray@csba.org

Mike Brown, *School Innovations & Advocacy*
5200 Golden Foothill Parkway, El Dorado Hills, CA 95762
Phone: (916) 669-5116
mikeb@sia-us.com

Guy Burdick, Consultant, *MGT Consulting*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 833-7775
gburdick@mgtconsulting.com

Evelyn Calderon-Yee, Bureau Chief, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: (916) 324-5919
ECalderonYee@sco.ca.gov

Veronica Causor-Lara, Manager, Internal Audit, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
vcausorlara@sjusd.org

Carolyn Chu, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8326
Carolyn.Chu@lao.ca.gov

Martina Dickerson, Staff Finance Budget Analyst, *Department of Finance*
Education, Department of Finance, Sacramento, CA 95814
Phone: (916) 445-0328
Martina.Dickerson@dof.ca.gov

Andra Donovan, *San Diego Unified School District*
Legal Services Office, 4100 Normal Street, Room 2148, , San Diego, CA 92103
Phone: (619) 725-5630
adonovan@sandi.net

Donna Ferebee, *Department of Finance*
915 L Street, Suite 1280, Sacramento, CA 95814
Phone: (916) 445-8918
donna.ferebee@dof.ca.gov

Chris Ferguson, *Department of Finance*
Education Systems Unit, 915 L Street, 7th Floor, 915 L Street, 7th Floor, Sacramento, CA 95814
Phone: (916) 445-3274
Chris.Ferguson@dof.ca.gov

Brianna Garcia, *Education Mandated Cost Network*
1121 L Street, Suite 1060, Sacramento, CA 95814
Phone: (916) 446-7517
briannag@sscal.com

Heather Halsey, Executive Director, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
heather.halsey@csm.ca.gov

Tiffany Hoang, Associate Accounting Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,

Sacramento, CA 95816
Phone: (916) 323-1127
THoang@sco.ca.gov

Jason Jennings, Director, *Maximus Consulting*
Financial Services, 808 Moorefield Park Drive, Suite 205, Richmond, VA 23236
Phone: (804) 323-3535
SB90@maximus.com

Angelo Joseph, Supervisor, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: (916) 323-0706
AJoseph@sco.ca.gov

Lorena Jung, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
ljung@sjusd.org

Shazleen Kahn, Education Fiscal Policy Assistant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 639-3197
skhan@cde.ca.gov

Doug Kimberly, Superintendent, *Lake Elsinore Unified School District*
545 Chaney Street, Lake Elsinore, CA 92530
Phone: (951) 253-7000
Doug.Kimberly@leusd.k12.ca.us

Jennifer Kuhn, Deputy, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8332
Jennifer.kuhn@lao.ca.gov

Lisa Kurokawa, Bureau Chief for Audits, *State Controller's Office*
Compliance Audits Bureau, 3301 C Street, Suite 700, Sacramento, CA 95816
Phone: (916) 327-3138
lkurokawa@sco.ca.gov

Audin Leung, Student Leader, *Free the Period California*
1 Shield Ave, Pierce Co-op TB14, Davis, CA 95616
Phone: (415) 318-9343
freetheperiod.ca@gmail.com

Kristin Lindgren, Deputy General Counsel, *California School Boards Association*
3251 Beacon Boulevard, West Sacramento, CA 95691
Phone: (916) 669-3266
klindgren@csba.com

Diego Lopez, Consultant, *Senate Budget and Fiscal Review Committee*
1020 N Street, Room 502, Sacramento, CA 95814
Phone: (916) 651-4103
Diego.Lopez@sen.ca.gov

Everett Luc, Accounting Administrator I, Specialist, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 323-0766
ELuc@sco.ca.gov

Jill Magee, Program Analyst, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
Jill.Magee@csm.ca.gov

Darryl Mar, Manager, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0706
DMar@sco.ca.gov

Michelle Mendoza, *MAXIMUS*
17310 Red Hill Avenue, Suite 340, Irvine, CA 95403
Phone: (949) 440-0845
michellemendoza@maximus.com

Lourdes Morales, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8320
Lourdes.Morales@LAO.CA.GOV

Marilyn Munoz, Senior Staff Counsel, *Department of Finance*
915 L Street, Sacramento, CA 95814
Phone: (916) 445-8918
Marilyn.Munoz@dof.ca.gov

Bob Nelson, Interim Superintendent, *Fresno Unified School District*
Claimant Contact
2309 Tulare Street, Fresno, CA 93721
Phone: (559) 457-3882
Bob.Nelson@fresnounified.org

Melissa Ng, Staff Finance Budget Analyst, *Department of Finance*
Education, 915 L Street, 7th Floor, Sacramento, CA 95814
Phone: (916) 445-0328
Melissa.Ng@dof.ca.gov

Michelle Nguyen, *Department of Finance*
Education Unit, 915 L Street, Sacramento, CA 95814
Phone: (916) 445-0328
Michelle.Nguyen@dof.ca.gov

Andy Nichols, *Nichols Consulting*
1857 44th Street, Sacramento, CA 95819
Phone: (916) 455-3939
andy@nichols-consulting.com

Arthur Palkowitz, *Law Offices of Arthur M. Palkowitz*
Claimant Representative
12807 Calle de la Siena, San Diego, CA 92130
Phone: (858) 259-1055
law@artpalk.onmicrosoft.com

Kirsten Pangilinan, Specialist, *State Controller's Office*
Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 322-2446
KPangilinan@sco.ca.gov

Roberta Raper, Director of Finance, *City of West Sacramento*
1110 West Capitol Ave, West Sacramento, CA 95691
Phone: (916) 617-4509
robertar@cityofwestsacramento.org

Seth Reddy, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
sreddy@sjusd.org

Sandra Reynolds, President, *Reynolds Consulting Group, Inc.*
P.O. Box 891359, Temecula, CA 92589-1359
Phone: (888) 202-9442
rcginc19@gmail.com

Cindy Sconce, Director, *MGT*
Performance Solutions Group, 3600 American River Drive, Suite 150, Sacramento, CA 95864
Phone: (916) 276-8807
csconce@mgtconsulting.com

Camille Shelton, Chief Legal Counsel, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
camille.shelton@csm.ca.gov

Carla Shelton, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
carla.shelton@csm.ca.gov

Steve Shields, *Shields Consulting Group, Inc.*
1536 36th Street, Sacramento, CA 95816
Phone: (916) 454-7310
steve@shieldscg.com

Natalie Sidarous, Chief, *State Controller's Office*
Local Government Programs and Services Division, 3301 C Street, Suite 740, Sacramento, CA 95816
Phone: 916-445-8717
NSidarous@sco.ca.gov

Amy Tang-Paterno, Educational Fiscal Services Consultant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 322-6630
ATangPaterno@cde.ca.gov

Jolene Tollenaar, *MGT Consulting Group*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 243-8913
jolenetollenaar@gmail.com

Brian Uhler, Principal Fiscal & Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8328
Brian.Uhler@LAO.CA.GOV

Colleen Winchester, Senior Deputy City Attorney, *City of San Jose*
200 East Santa Clara Street, 16th Floor, San Jose, CA 95113
Phone: (408) 535-1987
Colleen.Winchester@sanjoseca.gov

Jacqueline Wong-Hernandez, Deputy Executive Director for Legislative Affairs, *California State Association of Counties (CSAC)*
1100 K Street, Sacramento, CA 95814
Phone: (916) 650-8104
jwong-hernandez@counties.org

Elisa Wynne, Staff Director, *Senate Budget & Fiscal Review Committee*
California State Senate, State Capitol Room 5019, Sacramento, CA 95814
Phone: (916) 651-4103
elisa.wynne@sen.ca.gov

Bruce Yonehiro, Chief Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814-5901
Phone: (916) 319-0860
BYonehiro@cde.ca.gov

Helmholt Zinser-Watkins, Associate Governmental Program Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 700,
Sacramento, CA 95816
Phone: (916) 324-7876
HZinser-watkins@sco.ca.gov



Exhibit B

RECEIVED
October 06, 2023
**Commission on
State Mandates**

Gavin Newsom ■ Governor

915 L Street ■ Sacramento CA ■ 95814-3706 ■ www.dof.ca.gov

October 6, 2023

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Response to Test Claim 22-TC-05, Free Application for Federal Student Aid (FAFSA) Test Claim

Dear Heather Halsey:

The Department of Finance has reviewed Test Claim 22-TC-05, submitted to the Commission on State Mandates (Commission) by the Fresno Unified School District (Claimant).

The test claim alleges state-mandated, reimbursable costs associated with Chapter 144, Statutes of 2022 (AB 132), which requires local education agencies (LEAs) to confirm that students complete the Free Application for Federal Student Aid (FAFSA), the California Dream Act Application (CADAA), or opt-out of completing a financial aid form altogether, beginning in school year 2022-23.

The fiscal estimates listed by the Claimant raise questions about the need for additional state resources to satisfy the requirements of AB 132. First, the responsibilities established by AB 132 generally fall within the scope of school counselor duties as described in Education Code sections 49600(d) and (e). Second, the state has already provided significant budgetary resources to the California Student Aid Commission (CSAC) to increase financial aid training resources to LEAs, students, and parents.

Additionally, the Claimant does not provide sufficient evidence that existing state resources provided to LEAs, or accessible to LEAs through CSAC operated programs, related to financial aid outreach are inadequate. Further, claimed costs and related activities could be significantly reduced due to the pending release of a streamlined FAFSA form in 2024-25.

On page 11 of the Claimant's Statement of the Claim of the Written Narrative (Statement of the Claim) Claimant states that the cost to Fresno Unified School District to ensure that all students complete the FAFSA, the CADAA, or opt-out is **\$1,145,366.30** for the 2023-24 school year.

The Claimant also states on page 13 of their Statement of the Claim that the estimate of increased costs to LEAs or school districts across the state of California is **\$60 million** for the 2023-24 school year.

As detailed below, Finance is concerned that the required costs are overstated in magnitude because such costs (i) reflect the costs for services that are above those required by Education Code section 51225.7: and/or (ii) are duplicative of existing state funded resources.

Concerns:

1. To the extent that AB 132 establishes new responsibilities for LEAs and school districts across the state of California, Finance notes that the estimated cost of \$60 million is unsubstantiated. The Claimant does not provide a fiscal analysis or rationale behind this estimate and does not explore how costs may vary across different LEAs in the state. Finance is not aware of any other mandate claims filed by other LEAs or school districts related to AB 132 and it is unclear how the Claimant arrived at the \$60 million statewide estimate. Further, Education Code section 51225.7 (b) does not require LEAs to provide the specific training, resources, and parental workshops noted by the Claimant on Pages 10 and 12.
2. Finance does not find that the responsibilities established by AB 132 are significantly different from traditional school counselor duties to warrant a statewide mandate. Education Code section 49600(d)(4) currently states that school counselors shall provide the following:

"Academic planning for access and success in higher education programs, including advisement on courses needed for admission to colleges and universities, standardized admissions tests, and financial aid."

Further, Education Code Section 49600 (e)(5) indicates that school counselors shall assist in the following:

"Developing pupil knowledge of financial aid planning for postsecondary education by providing pupils with financial aid information, including, but not limited to, information on the Free Application for Federal Student Aid (FAFSA), the California Dream Act application (CADAA), the Cal Grant Program established pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3, local and national scholarship programs, financial aid programs and resources for foster and homeless youth, fee waiver programs, and other financial aid programs and options, and net college cost."

3. Further, the FAFSA Simplification Act of 2023 represents a significant overhaul of the FAFSA form beginning in the 2024-25 school year. The new, streamlined form was developed to simplify the financial aid application process and may reduce the assistance needed to facilitate its completion. Given this pending change, the passage of a statewide mandate would be premature.

If you have any questions regarding this letter, please contact Jennifer Louie, Principal Program Budget Analyst at (916) 445-0328.

Sincerely,

Chris Ferguson

Chris Ferguson
Program Budget Manager

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On October 6, 2023, I served the:

- **Current Mailing List dated September 27, 2023**
- **Finance's Comments on the Test Claim filed October 6, 2023**

Free Application for Federal Student Aid (FAFSA), 22-TC-05
Statutes 2021, Chapter 144, Section 10 (AB 132); Education Code Section
51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective
July 27, 2021
Fresno Unified School District, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on October 6, 2023 at Sacramento, California.

David Chavez

David Chavez
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 9/27/23

**Claim
Number:** 22-TC-05

Matter: Free Application for Federal Student Aid (FAFSA)

Claimant: Fresno Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

Amber Alexander, *Department of Finance*

Education Systems Unit, 915 L Street, 7th Floor, Sacramento, Ca

Phone: (916) 445-0328

Amber.Alexander@dof.ca.gov

Michael Alferes, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95816

Phone: (916) 319-8332

michael.alferes@lao.ca.gov

Lili Apgar, Specialist, *State Controller's Office*

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 324-0254

lapgar@sco.ca.gov

Socorro Aquino, *State Controller's Office*

Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 322-7522
SAquino@sco.ca.gov

Harmeet Barkschat, *Mandate Resource Services, LLC*
5325 Elkhorn Blvd. #307, Sacramento, CA 95842
Phone: (916) 727-1350
harmeet@comcast.net

Keith Bray, General Counsel/Chief of Staff, *California School Boards Association*
3251 Beacon Blvd, West Sacramento, CA 95691
Phone: (916) 669-3273
kbray@csba.org

Mike Brown, *School Innovations & Advocacy*
5200 Golden Foothill Parkway, El Dorado Hills, CA 95762
Phone: (916) 669-5116
mikeb@sia-us.com

Guy Burdick, Consultant, *MGT Consulting*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 833-7775
gburdick@mgtconsulting.com

Edgar Cabral, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*
925 L Street, Suite 100, Sacramento, CA 95816
Phone: (916) 319-8332
edgar.cabral@lao.ca.gov

Evelyn Calderon-Yee, Bureau Chief, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 324-5919
ECalderonYee@sco.ca.gov

Veronica Causor-Lara, Manager, Internal Audit, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
vcausorlara@sjusd.org

Carolyn Chu, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8326
Carolyn.Chu@lao.ca.gov

Martina Dickerson, Staff Finance Budget Analyst, *Department of Finance*
Education, Department of Finance, Sacramento, CA 95814
Phone: (916) 445-0328
Martina.Dickerson@dof.ca.gov

Andra Donovan, *San Diego Unified School District*
Legal Services Office, 4100 Normal Street, Room 2148, , San Diego, CA
92103
Phone: (619) 725-5630
adonovan@sandi.net

Donna Ferebee, *Department of Finance*
915 L Street, Suite 1280, Sacramento, CA 95814
Phone: (916) 445-8918
donna.ferebee@dof.ca.gov

Chris Ferguson, *Department of Finance*
Education Systems Unit, 915 L Street, 7th Floor, 915 L Street, 7th Floor,
Sacramento, CA 95814
Phone: (916) 445-3274
Chris.Ferguson@dof.ca.gov

Brianna Garcia, *Education Mandated Cost Network*
1121 L Street, Suite 1060, Sacramento, CA 95814
Phone: (916) 446-7517
briannag@sscal.com

Len Garfinkel, General Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814
Phone: (916) 319-0860
lgarfinkel@cde.ca.gov

Heather Halsey, Executive Director, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
heather.halsey@csm.ca.gov

Tiffany Hoang, Associate Accounting Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-1127
THoang@sco.ca.gov

Jason Jennings, Director, *Maximus Consulting*
Financial Services, 808 Moorefield Park Drive, Suite 205, Richmond, VA
23236

Phone: (804) 323-3535
SB90@maximus.com

Angelo Joseph, Supervisor, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0706
AJoseph@sco.ca.gov

Lorena Jung, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
ljung@sjusd.org

Shazleen Kahn, Education Fiscal Policy Assistant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 639-3197
skhan@cde.ca.gov

Doug Kimberly, Superintendent, *Lake Elsinore Unified School District*
545 Chaney Street, Lake Elsinore, CA 92530
Phone: (951) 253-7000
Doug.Kimberly@leusd.k12.ca.us

Jennifer Kuhn, Deputy, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8332
Jennifer.kuhn@lao.ca.gov

Lisa Kurokawa, Bureau Chief for Audits, *State Controller's Office*
Compliance Audits Bureau, 3301 C Street, Suite 700, Sacramento, CA 95816
Phone: (916) 327-3138
lkurokawa@sco.ca.gov

Audin Leung, Student Leader, *Free the Period California*
1 Shield Ave, Pierce Co-op TB14, Davis, CA 95616
Phone: (415) 318-9343
freetheperiod.ca@gmail.com

Kristin Lindgren, Deputy General Counsel, *California School Boards Association*
3251 Beacon Boulevard, West Sacramento, CA 95691
Phone: (916) 669-3243
klindgren@csba.org

Diego Lopez, Consultant, *Senate Budget and Fiscal Review Committee*
1020 N Street, Room 502, Sacramento, CA 95814
Phone: (916) 651-4103
Diego.Lopez@sen.ca.gov

Everett Luc, Accounting Administrator I, Specialist, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0766
ELuc@sco.ca.gov

Jill Magee, Program Analyst, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
Jill.Magee@csm.ca.gov

Darryl Mar, Manager, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0706
DMar@sco.ca.gov

Tina McKendell, *County of Los Angeles*
Auditor-Controller's Office, 500 West Temple Street, Room 603, Los Angeles,
CA 90012
Phone: (213) 974-0324
tmckendell@auditor.lacounty.gov

Michelle Mendoza, *MAXIMUS*
17310 Red Hill Avenue, Suite 340, Irvine, CA 95403
Phone: (949) 440-0845
michellemendoza@maximus.com

Lourdes Morales, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8320
Lourdes.Morales@LAO.CA.GOV

Marilyn Munoz, Senior Staff Counsel, *Department of Finance*
915 L Street, Sacramento, CA 95814
Phone: (916) 445-8918
Marilyn.Munoz@dof.ca.gov

Bob Nelson, Interim Superintendent, *Fresno Unified School District*
Claimant Contact
2309 Tulare Street, Fresno, CA 93721

Phone: (559) 457-3882

Bob.Nelson@fresnounified.org

Melissa Ng, Staff Finance Budget Analyst, *Department of Finance*

Education, 915 L Street, 7th Floor, Sacramento, CA 95814

Phone: (916) 445-0328

Melissa.Ng@dof.ca.gov

Michelle Nguyen, *Department of Finance*

Education Unit, 915 L Street, Sacramento, CA 95814

Phone: (916) 445-0328

Michelle.Nguyen@dof.ca.gov

Andy Nichols, *Nichols Consulting*

1857 44th Street, Sacramento, CA 95819

Phone: (916) 455-3939

andy@nichols-consulting.com

Arthur Palkowitz, *Law Offices of Arthur M. Palkowitz*

Claimant Representative

12807 Calle de la Siena, San Diego, CA 92130

Phone: (858) 259-1055

law@artpalk.onmicrosoft.com

Kirsten Pangilinan, Specialist, *State Controller's Office*

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 322-2446

KPangilinan@sco.ca.gov

Roberta Raper, Director of Finance, *City of West Sacramento*

1110 West Capitol Ave, West Sacramento, CA 95691

Phone: (916) 617-4509

robertar@cityofwestsacramento.org

Seth Reddy, *San Jose Unified School District*

855 Lenzen Avenue, San Jose, CA 95126

Phone: (408) 535-6000

sreddy@sjusd.org

Sandra Reynolds, President, *Reynolds Consulting Group, Inc.*

P.O. Box 891359, Temecula, CA 92589-1359

Phone: (888) 202-9442

rcginc19@gmail.com

Cindy Sconce, Director, *MGT*

Performance Solutions Group, 3600 American River Drive, Suite 150,

Sacramento, CA 95864
Phone: (916) 276-8807
csconce@mgtconsulting.com

Camille Shelton, Chief Legal Counsel, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
camille.shelton@csm.ca.gov

Carla Shelton, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
carla.shelton@csm.ca.gov

Steve Shields, *Shields Consulting Group, Inc.*
1536 36th Street, Sacramento, CA 95816
Phone: (916) 454-7310
steve@shieldscg.com

Natalie Sidarous, Chief, *State Controller's Office*
Local Government Programs and Services Division, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: 916-445-8717
NSidarous@sco.ca.gov

Amy Tang-Paterno, Educational Fiscal Services Consultant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 322-6630
ATangPaterno@cde.ca.gov

Jolene Tollenaar, *MGT Consulting Group*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 243-8913
jolenetollenaar@gmail.com

Brian Uhler, Principal Fiscal & Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8328
Brian.Uhler@LAO.CA.GOV

Adam Whelen, Director of Public Works, *City of Anderson*
1887 Howard St., Anderson, CA 96007
Phone: (530) 378-6640
awhelen@ci.anderson.ca.us

Colleen Winchester, Senior Deputy City Attorney, *City of San Jose*
200 East Santa Clara Street, 16th Floor, San Jose, CA 95113
Phone: (408) 535-1987
Colleen.Winchester@sanjoseca.gov

Jacqueline Wong-Hernandez, Deputy Executive Director for Legislative Affairs, *California State Association of Counties (CSAC)*
1100 K Street, Sacramento, CA 95814
Phone: (916) 650-8104
jwong-hernandez@counties.org

Elisa Wynne, Staff Director, *Senate Budget & Fiscal Review Committee*
California State Senate, State Capitol Room 5019, Sacramento, CA 95814
Phone: (916) 651-4103
elisa.wynne@sen.ca.gov

Bruce Yonehiro, Chief Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814-5901
Phone: (916) 319-0860
BYonehiro@cde.ca.gov

Helmholt Zinser-Watkins, Associate Governmental Program Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 700, Sacramento, CA 95816
Phone: (916) 324-7876
HZinser-watkins@sco.ca.gov

LAW OFFICES OF ARTHUR M. PALKOWITZ
12807 Calle de la Siena
San Diego, CA 92130
law@artpalk.onmicrosoft.com
Phone: 858.259.1055

RECEIVED
November 02, 2023
**Commission on
State Mandates**

Exhibit C

November 2, 2023

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Re: Test Claim: Free Application for Federal Student Aid
(FAFSA) 22-TC-05
Claimant: Fresno Unified School District

Dear Ms. Halsey:

Fresno Unified School District (“District” or “Claimant”) has reviewed the Department of Finance (“Finance”) comments dated October 6, 2023 in response to the Free Application for Federal Student Aid (FAFSA) Test Claim submitted to the Commission on State Mandates (“Commission”) by the Claimant.

Claimant objection to Finance comments dated October 6, 2023. Finance comments must not be relied upon by the Commission or included in the record due to the comments failing to comply with the applicable California Code of Regulations.

Oral or written representations of fact offered by any person shall be under oath or affirmation and signed under penalty of perjury by persons who are authorized and competent to do so and must be based on the declarant’s personal knowledge, information or belief. (Cal. Code. Regs., tit. 2 §§ 1183.2 and 1187.5.) If representations of fact are made, they must be supported with documentary evidence filed with the comments on the test claim. (Cal. Code. Regs., tit. 2 §§ 1183.2 and 1187.5.)

Claimant’s rebuttal comments below are not a waiver of the objections to Finance comments dated October 6, 2023.

I. Response to Finance Concern 1.

There is no requirement claimant's test claim include a "fiscal analysis." The amount of the statewide estimate may be addressed during the parameters and guidelines process.

To determine estimated costs Government Code section 17518.5 provides a "reasonable reimbursement methodology" as a formula for reimbursing local agencies and school districts for costs mandated by the state, as defined in Section 17514. Interested parties may survey or otherwise gather cost data to develop a formula, "representative sample of claimants" of the costs to implement the mandate in a cost-efficient manner" for the activities that were determined to be reimbursable by the Commission in the decision on the test claim, and the costs of reasonably necessary activities to comply with the mandate pursuant to section 1183.7(d) of these regulations.

Claimant is not requesting reimbursement, nor have they submitted costs for specific training, resources, and parental workshops. Specific training, resources, and parental workshops activities were not included in the statewide estimate.

Finance comments, "The Claimant does not provide sufficient evidence that existing state resources provided to LEAs, or accessible to LEAs through CSAC operated programs, related to financial aid outreach are inadequate. Further, Finance comments "claimed costs and related activities could be significantly reduced due to the pending release of a streamlined FAFSA form in 2024-25" may also be addressed during the parameters and guidelines process or by a request for mandate redeterminations that allege the state's liability for a mandate has been modified based on a subsequent change in law.

Since the claimant initially filed this test claim there would not have been "any other mandate claims filed by other LEAs or school districts related to AB 132."

II. Response to Finance Concern 2

The new legislation AB 132, Education Code Section 51225.7 added the following mandated activities:

(b) Commencing with the 2022–23 school year, except as provided in subdivisions (c) and (d), the governing body of a local educational agency *shall* confirm that a pupil complies with at least one of the following:

(1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.

(2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.

(c) The parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, may opt out of the requirements of this section by filling out and submitting an opt-out form to the local educational agency. The Student Aid Commission shall make the opt-out form available to all local educational agencies pursuant to subdivision (f). (5 CCR § 30035, Appendix A.)

(d) If the local educational agency determines that a pupil is unable to complete a requirement of this section, the local educational agency shall exempt the pupil or, if applicable, the pupil's parent or legal guardian from completing and submitting a Free Application for Federal Student Aid, a form established pursuant to Section 69508.5 for purposes of the California Dream Act, or an opt-out form pursuant to subdivision (c). If the local educational agency exempts the pupil from having to complete the requirements of this section, the local educational agency shall complete and submit an opt-out form on the pupil's behalf. (5 CCR § 30035, Appendix A.)

None of the above activities were required under prior law contrary to Finance comments AB 132 is not substantially different than Education Code section 49600(d)(4) that stated the following: "Academic planning for access and success in higher education programs, including advisement on courses needed for admission to colleges and universities, standardized admissions tests, and financial aid."

Requiring a pupil to complete and submit the FAFSA form; or determining if the pupil is exempt; or that a pupil may opt out of the requirements is not the same as the prior law requiring developing pupil knowledge of financial aid planning for postsecondary education by providing pupils with financial aid information on FAFSA.

The requirements prior to AB 132 were not the same for traditional school counselor duties. Even if a school counselor was performing the activities mandated by AB 132 prior to its enactment, it was not required to. AB 132 changed discretionary activities to mandated activities. Furthermore, it is presumed the legislature would not enact a new law that was already required.

“In construing a statute, our task is to determine the Legislature’s intent and purpose for the enactment. (*People v. Tindall* (2000) 24 Cal.4th 767, 772, 102 Cal.Rptr.2d 533, 14 P.3d 207 (Tindall).) We look first to the plain meaning of the statutory language, giving the words their usual and ordinary meaning. (Ibid.) If there is no ambiguity in the statutory language, its plain meaning controls; we presume the Legislature meant what it said. (*California School Boards Assn. v. State of California* (2018) 19 Cal.App.5th 566, 584, as modified on denial of reh'g (Feb. 7, 2018))

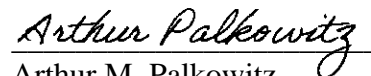
III. Response to Finance Concern 3

Finance contends with a new FAFSA form there *may* be a simplification of financial aid application process that *may* reduce the assistance needed to facilitate its completion. If and when that occurs, Finance may request at that time the Commission review the Parameters & Guidelines to determine if there are any offsetting revenue or any changes are appropriate. Additionally, a request for mandate redeterminations may allege the state's liability for a mandate has been modified based on a subsequent change in law.

A. Certification

I certify by my signature below, under penalty of perjury under the laws of the State of California, that the statements made in this document are true and complete to the best of my own personal knowledge or based on information and belief and that I am authorized and competent to do so.

November 2, 2023


Arthur M. Palkowitz
Representative for the Claimant

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On November 3, 2023, I served the:

- **Current Mailing List dated October 23, 2023**
- **Claimant's Rebuttal Comments filed November 2, 2023**

Free Application for Federal Student Aid (FAFSA), 22-TC-05
Statutes 2021, Chapter 144, Section 10 (AB 132); Education Code Section
51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective
July 27, 2021
Fresno Unified School District, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on November 3, 2023 at Sacramento, California.



David Chavez
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 10/23/23

**Claim
Number:** 22-TC-05

Matter: Free Application for Federal Student Aid (FAFSA)

Claimant: Fresno Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

Amber Alexander, *Department of Finance*

Education Systems Unit, 915 L Street, 7th Floor, Sacramento, Ca

Phone: (916) 445-0328

Amber.Alexander@dof.ca.gov

Michael Alferes, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95816

Phone: (916) 319-8332

michael.alferes@lao.ca.gov

Lili Apgar, Specialist, *State Controller's Office*

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 324-0254

lapgar@sco.ca.gov

Socorro Aquino, *State Controller's Office*

Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 322-7522

SAquino@sco.ca.gov

Harmeet Barkschat, *Mandate Resource Services, LLC*

5325 Elkhorn Blvd. #307, Sacramento, CA 95842

Phone: (916) 727-1350

harmeet@comcast.net

Keith Bray, General Counsel/Chief of Staff, *California School Boards Association*

3251 Beacon Blvd, West Sacramento, CA 95691

Phone: (916) 669-3273

kbray@csba.org

Mike Brown, *School Innovations & Advocacy*

5200 Golden Foothill Parkway, El Dorado Hills, CA 95762

Phone: (916) 669-5116

mikeb@sia-us.com

Guy Burdick, Consultant, *MGT Consulting*

2251 Harvard Street, Suite 134, Sacramento, CA 95815

Phone: (916) 833-7775

gburdick@mgtconsulting.com

Edgar Cabral, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*

925 L Street, Suite 100, Sacramento, CA 95816

Phone: (916) 319-8332

edgar.cabral@lao.ca.gov

Evelyn Calderon-Yee, Bureau Chief, *State Controller's Office*

Local Government Programs and Services Division, Bureau of Payments,

3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 324-5919

ECalderonYee@sco.ca.gov

Veronica Causor-Lara, Manager, Internal Audit, *San Jose Unified School District*

855 Lenzen Avenue, San Jose, CA 95126

Phone: (408) 535-6000

vcausorlara@sjusd.org

Carolyn Chu, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95814

Phone: (916) 319-8326

Carolyn.Chu@lao.ca.gov

Martina Dickerson, Staff Finance Budget Analyst, *Department of Finance*
Education, Department of Finance, Sacramento, CA 95814
Phone: (916) 445-0328
Martina.Dickerson@dof.ca.gov

Andra Donovan, *San Diego Unified School District*
Legal Services Office, 4100 Normal Street, Room 2148, , San Diego, CA
92103
Phone: (619) 725-5630
adonovan@sandi.net

Donna Ferebee, *Department of Finance*
915 L Street, Suite 1280, Sacramento, CA 95814
Phone: (916) 445-8918
donna.ferebee@dof.ca.gov

Chris Ferguson, *Department of Finance*
Education Systems Unit, 915 L Street, 7th Floor, 915 L Street, 7th Floor,
Sacramento, CA 95814
Phone: (916) 445-3274
Chris.Ferguson@dof.ca.gov

Brianna Garcia, *Education Mandated Cost Network*
1121 L Street, Suite 1060, Sacramento, CA 95814
Phone: (916) 446-7517
briannag@sscal.com

Len Garfinkel, General Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814
Phone: (916) 319-0860
lgarfinkel@cde.ca.gov

Mike Gomez, Revenue Manager, *City of Newport Beach*
100 Civic Center Drive, Newport Beach, CA 92660
Phone: (949) 644-3240
mgomez@newportbeachca.gov

Heather Halsey, Executive Director, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
heather.halsey@csm.ca.gov

Tiffany Hoang, Associate Accounting Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 323-1127

THoang@sco.ca.gov

Jason Jennings, Director, *Maximus Consulting*

Financial Services, 808 Moorefield Park Drive, Suite 205, Richmond, VA 23236

Phone: (804) 323-3535

SB90@maximus.com

Angelo Joseph, Supervisor, *State Controller's Office*

Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 323-0706

AJoseph@sco.ca.gov

Lorena Jung, *San Jose Unified School District*

855 Lenzen Avenue, San Jose, CA 95126

Phone: (408) 535-6000

ljung@sjusd.org

Shazleen Kahn, Education Fiscal Policy Assistant, *California Department of Education*

Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814

Phone: (916) 639-3197

skhan@cde.ca.gov

Doug Kimberly, Superintendent, *Lake Elsinore Unified School District*

545 Chaney Street, Lake Elsinore, CA 92530

Phone: (951) 253-7000

Doug.Kimberly@leusd.k12.ca.us

Jennifer Kuhn, Deputy, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95814

Phone: (916) 319-8332

Jennifer.kuhn@lao.ca.gov

Lisa Kurokawa, Bureau Chief for Audits, *State Controller's Office*

Compliance Audits Bureau, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 327-3138

lkurokawa@sco.ca.gov

Audin Leung, Student Leader, *Free the Period California*

1 Shield Ave, Pierce Co-op TB14, Davis, CA 95616

Phone: (415) 318-9343

freetheperiod.ca@gmail.com

Kristin Lindgren, Deputy General Counsel, *California School Boards Association*

3251 Beacon Boulevard, West Sacramento, CA 95691

Phone: (916) 669-3243

klindgren@csba.org

Diego Lopez, Consultant, *Senate Budget and Fiscal Review Committee*

1020 N Street, Room 502, Sacramento, CA 95814

Phone: (916) 651-4103

Diego.Lopez@sen.ca.gov

Everett Luc, Accounting Administrator I, Specialist, *State Controller's Office*

3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 323-0766

ELuc@sco.ca.gov

Jill Magee, Program Analyst, *Commission on State Mandates*

980 9th Street, Suite 300, Sacramento, CA 95814

Phone: (916) 323-3562

Jill.Magee@csm.ca.gov

Darryl Mar, Manager, *State Controller's Office*

3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 323-0706

DMar@sco.ca.gov

Tina McKendell, *County of Los Angeles*

Auditor-Controller's Office, 500 West Temple Street, Room 603, Los Angeles, CA 90012

Phone: (213) 974-0324

tmckendell@auditor.lacounty.gov

Michelle Mendoza, *MAXIMUS*

17310 Red Hill Avenue, Suite 340, Irvine, CA 95403

Phone: (949) 440-0845

michellemendoza@maximus.com

Lourdes Morales, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95814

Phone: (916) 319-8320

Lourdes.Morales@LAO.CA.GOV

Marilyn Munoz, Senior Staff Counsel, *Department of Finance*

915 L Street, Sacramento, CA 95814

Phone: (916) 445-8918
Marilyn.Munoz@dof.ca.gov

Bob Nelson, Interim Superintendent, *Fresno Unified School District*
Claimant Contact

2309 Tulare Street, Fresno, CA 93721
Phone: (559) 457-3882
Bob.Nelson@fresnounified.org

Melissa Ng, Staff Finance Budget Analyst, *Department of Finance*
Education, 915 L Street, 7th Floor, Sacramento, CA 95814
Phone: (916) 445-0328
Melissa.Ng@dof.ca.gov

Michelle Nguyen, *Department of Finance*
Education Unit, 915 L Street, Sacramento, CA 95814
Phone: (916) 445-0328
Michelle.Nguyen@dof.ca.gov

Andy Nichols, *Nichols Consulting*
1857 44th Street, Sacramento, CA 95819
Phone: (916) 455-3939
andy@nichols-consulting.com

Arthur Palkowitz, *Law Offices of Arthur M. Palkowitz*
Claimant Representative
12807 Calle de la Siena, San Diego, CA 92130
Phone: (858) 259-1055
law@artpalk.onmicrosoft.com

Kirsten Pangilinan, Specialist, *State Controller's Office*
Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 322-2446
KPangilinan@sco.ca.gov

Roberta Raper, Director of Finance, *City of West Sacramento*
1110 West Capitol Ave, West Sacramento, CA 95691
Phone: (916) 617-4509
robertar@cityofwestsacramento.org

Seth Reddy, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
sreddy@sjusd.org

Sandra Reynolds, President, *Reynolds Consulting Group, Inc.*
P.O. Box 891359, Temecula, CA 92589-1359
Phone: (888) 202-9442
rcginc19@gmail.com

Cindy Sconce, Director, *MGT*
Performance Solutions Group, 3600 American River Drive, Suite 150,
Sacramento, CA 95864
Phone: (916) 276-8807
csconce@mgtconsulting.com

Camille Shelton, Chief Legal Counsel, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
camille.shelton@csm.ca.gov

Carla Shelton, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
carla.shelton@csm.ca.gov

Steve Shields, *Shields Consulting Group, Inc.*
1536 36th Street, Sacramento, CA 95816
Phone: (916) 454-7310
steve@shieldscg.com

Natalie Sidarous, Chief, *State Controller's Office*
Local Government Programs and Services Division, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: 916-445-8717
NSidarous@sco.ca.gov

Amy Tang-Paterno, Educational Fiscal Services Consultant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 322-6630
ATangPaterno@cde.ca.gov

Jolene Tollenaar, *MGT Consulting Group*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 243-8913
jolenetollenaar@gmail.com

Brian Uhler, Principal Fiscal & Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814

Phone: (916) 319-8328
Brian.Uhler@LAO.CA.GOV

Adam Whelen, Director of Public Works, *City of Anderson*
1887 Howard St., Anderson, CA 96007
Phone: (530) 378-6640
awhelen@ci.anderson.ca.us

Colleen Winchester, Senior Deputy City Attorney, *City of San Jose*
200 East Santa Clara Street, 16th Floor, San Jose, CA 95113
Phone: (408) 535-1987
Colleen.Winchester@sanjoseca.gov

Jacqueline Wong-Hernandez, Deputy Executive Director for Legislative
Affairs, *California State Association of Counties (CSAC)*
1100 K Street, Sacramento, CA 95814
Phone: (916) 650-8104
jwong-hernandez@counties.org

Elisa Wynne, Staff Director, *Senate Budget & Fiscal Review Committee*
California State Senate, State Capitol Room 5019, Sacramento, CA 95814
Phone: (916) 651-4103
elisa.wynne@sen.ca.gov

Bruce Yonehiro, Chief Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814-5901
Phone: (916) 319-0860
BYonehiro@cde.ca.gov

Helmholt Zinser-Watkins, Associate Governmental Program Analyst, *State
Controller's Office*
Local Government Programs and Services Division, Bureau of Payments,
3301 C Street, Suite 700, Sacramento, CA 95816
Phone: (916) 324-7876
HZinser-watkins@sco.ca.gov



March 5, 2024

Exhibit D

Mr. Chris Hill
Department of Finance
915 L Street, 8th Floor
Sacramento, CA 95814

Mr. Arthur Palkowitz
Law Offices of Arthur M. Palkowitz
12807 Calle de la Siena
San Diego, CA 92130

And Parties, Interested Parties, and Interested Persons (See Mailing List)

Re: Draft Proposed Decision, Schedule for Comments, and Notice of Hearing
Free Application for Federal Student Aid (FAFSA), 22-TC-05
Statutes 2021, Chapter 144, Section 10 (AB 132); Education Code Section
51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective
July 27, 2021
Fresno Unified School District, Claimant

Dear Mr. Hill and Mr. Palkowitz:

The Draft Proposed Decision for the above-captioned matter is enclosed for your review and comment.

Written Comments

Written comments may be filed on the Draft Proposed Decision no later than **5:00 pm on March 26, 2024**. Please note that all representations of fact submitted to the Commission must be signed under penalty of perjury by persons who are authorized and competent to do so and must be based upon the declarant's personal knowledge, information, or belief. (Cal. Code Regs., tit. 2, § 1187.5.) Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over an objection in civil actions. (Cal. Code Regs., tit. 2, § 1187.5.) The Commission's ultimate findings of fact must be supported by substantial evidence in the record.¹

You are advised that comments filed with the Commission are required to be electronically filed (e-filed) in an unlocked legible and searchable PDF file, using the Commission's Dropbox. (Cal. Code Regs., tit. 2, § 1181.3(c)(1).) Refer to <https://www.csm.ca.gov/dropbox.shtml> on the Commission's website for electronic filing instructions. If e-filing would cause the filer undue hardship or significant prejudice, filing may occur by first class mail, overnight delivery or personal service only upon approval of a written request to the executive director. (Cal. Code Regs., tit. 2, § 1181.3(c)(2).)

If you would like to request an extension of time to file comments, please refer to section 1187.9(a) of the Commission's regulations.

¹ Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

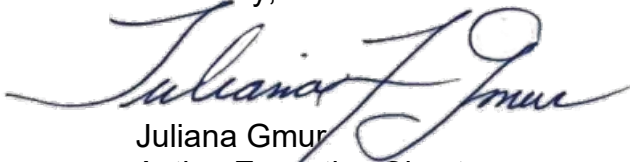
Hearing

This matter is set for hearing on **Friday, May 24, 2024**, at 10:00 a.m. The Proposed Decision will be issued on or about May 10, 2024.

Please notify Commission staff not later than the Wednesday prior to the hearing that you or a witness you are bringing plan to testify and please specify the names of the people who will be speaking for inclusion on the witness list. When calling or emailing, please identify the item you want to testify on and the entity you represent. The Commission Chairperson reserves the right to impose time limits on presentations as may be necessary to complete the agenda.

If you would like to request postponement of the hearing, please refer to section 1187.9(b) of the Commission's regulations.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Juliana Gmur', with a stylized flourish extending from the end.

Juliana Gmur
Acting Executive Director

ITEM ____
TEST CLAIM
DRAFT PROPOSED DECISION

Education Code Section 51225.7, as Added by Statutes 2021, Chapter 144
(AB 132, Section 10), Effective July 27, 2021

California Code of Regulations, Title 5, Section 30035, Appendix A and Appendix B,
as Added by Register 2022, Number 19, Effective July 1, 2022

Free Application for Federal Student Aid (FAFSA)

22-TC-05

Fresno Unified School District, Claimant

EXECUTIVE SUMMARY

Overview

This Test Claim pleads Education Code section 51225.7 (as added by Stats. 2021, ch. 144 (AB 132)) and California Code of Regulations, Title 5, section 30035, Appendices A and B (as added by Register 2022, Number 19).

Staff finds that Education Code section 51225.7(b), (d), and (e)(1), as added by Statutes 2021, Chapter 144, imposes a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution on school districts. However, staff finds that California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Register 2022, number 19, do *not* impose any requirements on school districts, and therefore do not mandate a new program or higher level of service.

Procedural History

The claimant filed the Test Claim on June 23, 2023.¹ The Department of Finance (Finance) filed comments on the Test Claim on October 6, 2023.² The claimant filed rebuttal comments on November 2, 2023.³ Commission staff issued the Draft Proposed Decision on March 5, 2024.⁴

¹ Exhibit A, Test Claim, filed June 23, 2023.

² Exhibit B, Finance's Comments on the Test Claim, filed October 6, 2023.

³ Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023.

⁴ Exhibit D, Draft Proposed Decision, issued March 5, 2024.

Commission Responsibilities

Under article XIII B, section 6 of the California Constitution, local agencies and school districts are entitled to reimbursement for the costs of state-mandated new programs or higher levels of service. For local government to be eligible for reimbursement, one or more similarly situated local agencies or school districts must file a test claim with the Commission. “Test claim” means the first claim filed with the Commission alleging that a particular statute or executive order imposes costs mandated by the state. Test claims function similarly to class actions and all members of the class have the opportunity to participate in the test claim process and all are bound by the final decision of the Commission for purposes of that test claim.

The Commission is the quasi-judicial body vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution and not apply it as an “equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities.”⁵

Claims

The following chart provides a brief summary of the claims and issues raised and staff’s recommendation.

Issue	Description	Staff Recommendation
Was the Test Claim timely filed?	Government Code section 17551(c) requires that a test claim be filed “not later than 12 months after the effective date of the statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later.” Section 1183.1(c) of the Commission’s regulations defines 12 months as 365 days.	<i>Timely filed</i> – The test claim statute ⁶ became effective on July 27, 2021, the test claim regulation ⁷ became effective July 1, 2022, and costs were first incurred on July 1, 2022. ⁸ The Test Claim was filed on June 23, 2023, within 365 days of the date costs were first incurred. The Test Claim was timely filed. Because the Test Claim was filed on June 23, 2023, under Government Code

⁵ *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1264, 1281, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

⁶ Education Code Section 51225.7, as added by Statutes 2021, chapter 144.

⁷ California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Register 2022, number 19.

⁸ Exhibit A, Test Claim, filed June 23, 2023, page 20 (Declaration of Kim Kelstrom, Chief Executive, Fiscal Services, Fresno Unified School District).

Issue	Description	Staff Recommendation
	Government Code section 17557(e) requires a test claim to be submitted by June 30 following a fiscal year to establish reimbursement eligibility for that fiscal year.	17557, the potential period of reimbursement would begin on July 1, 2021. However, because the Test Claim statute and regulation have later effective dates, the potential period of reimbursement for the Test Claim statute begins on the statute's effective date, July 27, 2021, and the potential period of reimbursement for the Test Claim regulation begins on the regulation's effective date, July 1, 2022.
Do Education Code section 51225.7, as added by Statutes 2021, chapter 144, and California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Register 2022, number 19, impose a reimbursable state-mandated program?	Education Code section 51225.7 requires school districts ⁹ to confirm that pupils in grade 12 either complete and submit the FAFSA or California Dream Act Application or an opt-out form; exempt any pupil that cannot complete a financial aid application or opt-out form and submit an opt-out form on the pupil's behalf; ensure that a pupil in grade 12 is directed to support services necessary to complete the FAFSA or California Dream Act application; and comply with	<i>Partially Approve</i> – Education Code section 51225.7, as added by Statutes 2021, Chapter 144, imposes a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution on school districts, including county offices of education, to confirm that each pupil in grade 12 complete specified financial aid applications, opt-out of the requirement, or be deemed exempt, and requires school districts to ensure that pupils in grade

⁹ The test claim statute activities apply to local educational agencies, which include school districts, county offices of education, and charter schools. Under Government Code section 17514, "school districts" are eligible to seek reimbursement for state-mandated new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution, with Government Code section 17519 defining "school district," as school district, community college district, or county superintendent of schools. The county superintendent of schools is the executive office of the county office of education (Education Code section 1010). Thus, here, school districts and county superintendents of schools are eligible to seek reimbursement.

Issue	Description	Staff Recommendation
	<p>state and federal privacy laws when handling pupil and parent information in connection with these requirements.¹⁰</p> <p>Education Code section 51225.7 also requires the California Student Aid Commission to adopt regulations that include a model opt-out form and acceptable use policy for secure handling of parent, guardian, and pupil personal information gathered by school districts in connection with the requirements of the test claim statute and to make the model form and policy available on its website.¹¹</p> <p>As a result, California Code of Regulations, title 5, section 30035 and Appendices A and B were added, effective July 1, 2022 (Register 2022, No. 19). Appendix A is the model opt-out form and Appendix B is the model acceptable use policy.¹²</p>	<p>12 are directed to services necessary to assist them with completing the appropriate financial aid application.</p> <p>However, the requirement to comply with state and federal privacy laws when handling pupil and parent information in connection with these requirements pursuant to section 51225.7(e)(2) is not new and therefore does not impose a new program or higher level of service.¹³</p> <p>In addition, California Code of Regulations, title 5, section 30035, Appendices A and B do not impose any requirements on school districts and do not mandate a new program or higher level of service.</p>

¹⁰ Education Code section 51225.7(b), (d), (e) (as added by Stats. 2021, ch. 144).

¹¹ Education Code section 51225.7(c), (f) (as added by Stats. 2021, ch. 144).

¹² Exhibit A, Test Claim, filed June 23, 2023, pages 209-215 (California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Reg. 2022, no. 19).

¹³ United States Code, title 20, section 1232g(a)(4), (b); Code of Federal Regulations, title 34, section 99.3; Education Code sections 49060 et seq. and California Code of Regulations, title 5, section 430 et seq. (the California laws that correspond to FERPA); Education Code section 234.7, as added by Statutes 2017, chapter 493 (AB 699);

Staff Analysis

This Test Claim alleges reimbursable state-mandated activities and increased costs arising from Education Code section 51225.7 (as added by Stats. 2021, ch. 144 (AB 132)) and California Code of Regulations, title 5, section 30035, Appendices A and B (as added by Register 2022, Number 19). The test claim statute requires school districts, including county offices of education, to confirm that each pupil in grade 12 complete at least one of two specified financial aid applications, unless the pupil opts out of the requirement or is deemed exempt by the school district;¹⁴ to direct pupils in grade 12 to services necessary to assist them in completing the appropriate financial aid application;¹⁵ and to ensure pupil and parent information shared in connection with the requirements of the statute are handled in compliance with applicable federal and state privacy laws.¹⁶ It also requires the California Student Aid Commission to adopt regulations that include acceptable use policies to provide guidance to local educational agencies on the requirements relating to state privacy laws governing the handling of pupil and parent information shared under the statute, and to post and make available those policies on its website.¹⁷ Appendix A to the regulations is the model opt-out form for school district use. Appendix B to the regulations is the model acceptable use policy.

The Test Claim was timely filed. The potential period of reimbursement for the test claim statute begins on the statute's effective date, July 27, 2021.¹⁸

Staff finds that Education Code section 51225.7 imposes the following new requirements on school districts, including county offices of education:

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the

Government Code section 7284 et seq., as added by Statutes 2017, chapter 495 (SB 54); Government Code section 7284.6(a)(1) (Stats. 2017, ch. 495).

¹⁴ Education Code section 51225.7(b), (d).

¹⁵ Education Code section 51225.7(e)(1).

¹⁶ Education Code section 51225.7(e)(2).

¹⁷ Education Code section 51225.7(f).

¹⁸ The potential period of reimbursement for the test claim regulation begins on the regulation's effective date, July 1, 2022. However, because the test claim regulation does not impose any requirements on school districts, the regulation's potential reimbursement period is immaterial to the analysis herein.

requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.¹⁹

- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.²⁰
- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.²¹

Although prior law required school districts to provide a paper copy of the FAFSA or California Dream Act Application each pupil, upon request, and to “ensure that each of its pupils receives information on how to properly complete and submit the Free Application for Federal Student Aid (FAFSA) or the California Dream Act Application, as appropriate, at least once *before the pupil enters grade 12*,”²² prior law did not require school districts to confirm that students in grade 12 completed and submitted the FAFSA or California Dream Act Application, opted out of the application submission requirement, or were deemed exempt. Nor were school districts required to direct students in grade 12 to support services to assist them in completing a financial aid application. Thus, the bulleted activities are newly imposed on school districts and are mandated by the state. In addition, the new mandated activities are uniquely imposed on school districts and provide a governmental service to the public by increasing awareness of and access to financial aid resources and higher education.²³ The record also contains substantial evidence that the claimant's costs to comply with the mandated new program or higher level of service exceed \$1,000.²⁴ No state funds have been specifically appropriated to fund this program, nor have any potential sources of offsetting revenues been identified. Additionally, none of the exceptions to reimbursement in Government Code section 17556 apply to deny this Test Claim. Therefore, staff finds that the new mandated activities result in increased costs mandated by the state.

¹⁹ Education Code section 51225.7(b).

²⁰ Education Code section 51225.7(d).

²¹ Education Code section 51225.7(e)(1).

²² Education Code section 51225.8(a), (b) (as added by Stats. 2018, ch. 533), emphasis added.

²³ Exhibit X, Assembly Floor Analysis, Analysis of AB 469, as amended September 3, 2021, page 2.

²⁴ Government Code section 17559(b).

However, the requirement in Education Code section 51225.7(e)(2), to ensure that information shared under the section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) (FERPA) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, is *not* new and, therefore does not impose a new program or higher level of service. School districts have a preexisting duty under state and federal law to protect the privacy of the student and familial personal information, including financial and immigration information.²⁵

Finally, staff finds that California Code of Regulations, title 5, section 30035, Appendices A and B do not impose any requirements on school districts and, thus, do not constitute a reimbursable state-mandated program.

Conclusion

Based on the foregoing analysis, staff finds that Education Code section 51225.7, as added by Statutes 2021, Chapter 144, imposes a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution on school districts, including county offices of education, to perform the following new state-mandated activities beginning July 27, 2021:

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 either completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.²⁶
- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.²⁷

²⁵ United States Code, title 20, section 1232g(a)(4), (b); Code of Federal Regulations, title 34, section 99.3; Education Code sections 49060 et seq. and California Code of Regulations, title 5, section 430 et seq. (the California laws that correspond to FERPA); Education Code section 234.7, as added by Statutes 2017, chapter 493 (AB 699); Government Code section 7284 et seq., as added by Statutes 2017, chapter 495 (SB 54); Government Code section 7284.6(a)(1) (Stats. 2017, ch. 495).

²⁶ Education Code section 51225.7(b).

²⁷ Education Code section 51225.7(d).

- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.²⁸

Staff further finds that California Code of Regulations, title 5, section 30035, Appendices A and B, as added by the test claim regulation, do not impose any requirements on school districts and, therefore, do not constitute a reimbursable state-mandated program.

Staff Recommendation

Staff recommends that the Commission adopt the Proposed Decision to partially approve the Test Claim and authorize staff to make any technical, non-substantive changes to the Proposed Decision following the hearing.

²⁸ Education Code section 51225.7(e)(1).

BEFORE THE
COMMISSION ON STATE MANDATES
STATE OF CALIFORNIA

IN RE TEST CLAIM

Education Code Section 51225.7 as
Added by Statutes 2021, Chapter 144
(AB 132, Section 10), Effective
July 27, 2021

California Code of Regulations, Title 5,
Section 30035, Appendix A and Appendix
B as Added by Register 2022, Number
19, Effective July 1, 2022

Filed June 23, 2023

Fresno Unified School District, Claimant

Case No.: 22-TC-05

*Free Application for Federal Student Aid
(FAFSA)*

DECISION PURSUANT TO
GOVERNMENT CODE SECTION 17500
ET SEQ.; CALIFORNIA CODE OF
REGULATIONS, TITLE 2, DIVISION 2,
CHAPTER 2.5, ARTICLE 7.

(Adopted May 24, 2024)

DECISION

The Commission on State Mandates (Commission) heard and decided this Test Claim during a regularly scheduled hearing on May 24, 2024. [Witness list will be included in the adopted Decision.]

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code sections 17500 et seq., and related case law.

The Commission [adopted/modified] the Proposed Decision to [approve/partially approve/deny] the Test Claim by a vote of [vote will be included in the adopted Decision], as follows:

Member	Vote
Lee Adams, County Supervisor	
Juan Fernandez, Representative of the State Treasurer, Vice Chairperson	
Deborah Gallegos, Representative of the State Controller	
Jennifer Holman, Representative of the Director of the Office of Planning and Research	
Gayle Miller, Representative of the Director of the Department of Finance, Chairperson	
Renee Nash, School District Board Member	

Summary of the Findings

This Test Claim alleges reimbursable state-mandated activities and increased costs arising from Education Code section 51225.7 (as added by Stats. 2021, ch. 144 (AB 132)) and California Code of Regulations, title 5, section 30035, Appendices A and B (as added by Register 2022, Number 19). The test claim statute requires school districts, including county offices of education, to confirm that each pupil in grade 12 complete at least one of two specified financial aid applications, unless the pupil opts out of the requirement or is deemed exempt by the school district;²⁹ to direct pupils in grade 12 to services necessary to assist them in completing the appropriate financial aid application;³⁰ and to ensure pupil and parent information shared in connection with the requirements of the statute are handled in compliance with applicable federal and state privacy laws.³¹ It also requires the California Student Aid Commission to adopt regulations that include acceptable use policies to provide guidance to local educational agencies on the requirements relating to state privacy laws governing the handling of pupil and parent information shared under the statute, and to post and make available those policies on its website.³² Appendix A to the regulations is the model opt-out form for school district use. Appendix B to the regulations is the model acceptable use policy.

The Commission finds that the Test Claim was timely filed. The potential period of reimbursement for the Test Claim statute begins on the statute's effective date, July 27, 2021.³³

The Commission finds that Education Code section 51225.7 imposes the following new requirements on school districts, including county offices of education:

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the

²⁹ Education Code section 51225.7(b), (d).

³⁰ Education Code section 51225.7(e)(1).

³¹ Education Code section 51225.7(e)(2).

³² Education Code section 51225.7(f).

³³ The potential period of reimbursement for the test claim regulation begins on the regulation's effective date, July 1, 2022. However, because the test claim regulation does not impose any requirements on school districts, the regulation's potential reimbursement period is immaterial to the analysis herein.

requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.³⁴

- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.³⁵
- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.³⁶

Although prior law required school districts to provide a paper copy of the FAFSA or California Dream Act Application each pupil, upon request, and to “ensure that each of its pupils receives information on how to properly complete and submit the Free Application for Federal Student Aid (FAFSA) or the California Dream Act Application, as appropriate, at least once *before the pupil enters grade 12*,”³⁷ prior law did not require school districts to confirm that students in grade 12 completed and submitted the FAFSA or California Dream Act Application, opted out of the application submission requirement, or were deemed exempt. Nor were school districts required to direct students in grade 12 to support services to assist them in completing a financial aid application. Thus, the bulleted activities are newly imposed on school districts and are mandated by the state. In addition, the new mandated activities are uniquely imposed on school districts and provide a governmental service to the public by increasing awareness of and access to financial aid resources and higher education.³⁸ The record also contains substantial evidence that the claimant's costs to comply with the mandated new program or higher level of service exceed \$1,000.³⁹ No state funds have been specifically appropriated to fund this program, nor have any potential sources of offsetting revenues been identified. Additionally, none of the exceptions to reimbursement in Government Code section 17556 apply to deny this Test Claim. Therefore, the Commission finds that the new mandated activities result in increased costs mandated by the state.

³⁴ Education Code section 51225.7(b).

³⁵ Education Code section 51225.7(d).

³⁶ Education Code section 51225.7(e)(1).

³⁷ Education Code section 51225.8(a), (b) (as added by Stats. 2018, ch. 533), emphasis added.

³⁸ Exhibit X, Assembly Floor Analysis, Analysis of AB 469, as amended September 3, 2021, page 2.

³⁹ Government Code section 17559(b).

However, the requirement in Education Code section 51225.7(e)(2), to ensure that information shared under the section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) (FERPA) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, is *not* new and, therefore does not impose a new program or higher level of service. School districts have a preexisting duty under state and federal law to protect the privacy of the student and familial personal information, including financial and immigration information.⁴⁰

Finally, the Commission finds that California Code of Regulations, title 5, section 30035, Appendices A and B do not impose any requirements on school districts and, thus, do not constitute a reimbursable state-mandated program.

Accordingly, the Commission partially approves this Test Claim for the activities bulleted above, beginning July 27, 2021.

COMMISSION FINDINGS

I. Chronology

07/27/2021	Effective date of Statutes 2021, chapter 588, adding Education Code section 51225.7
07/01/2022	Effective date of Register 2022, number 19, adding California Code of Regulations, title 5, section 30335, Appendices A and B
06/23/2023	The claimant Fresno Unified School District filed the Test Claim. ⁴¹
10/06/2023	The Department of Finance (Finance) filed comments on the Test Claim. ⁴²
11/02/2023	The claimant filed rebuttal comments. ⁴³
03/05/2024	Commission staff issued the Draft Proposed Decision. ⁴⁴

⁴⁰ 20 United States Code, section 1232g(a)(4), (b); Code of Federal Regulations, title 34, section 99.3; Education Code sections 49060 et seq. and California Code of Regulations, title 5, section 430 et seq. (the California laws that correspond to FERPA); Education Code section 234.7, as added by Statutes 2017, chapter 493 (AB 699); Government Code section 7284 et seq., as added by Statutes 2017, chapter 495 (SB 54); Government Code section 7284.6(a)(1) (Stats. 2017, ch. 495).

⁴¹ Exhibit A, Test Claim, filed June 23, 2023.

⁴² Exhibit B, Finance's Comments on the Test Claim, filed October 6, 2023.

⁴³ Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023.

⁴⁴ Exhibit D, Draft Proposed Decision, issued March 5, 2024.

II. Background

A. Free Application for Federal Student Aid (FAFSA)

The Free Application for Federal Student Aid (FAFSA) is a financial reporting form produced by the U.S. Department of Education to determine the need and eligibility of a student for federal student aid under Title IV of the Higher Education Act of 1965.⁴⁵ The FAFSA collects financial and other information used to calculate the expected family contribution (EFC) for college and to determine a student's eligibility for state and institutional financial aid programs.⁴⁶ "Because financial aid for college takes into consideration the cost of attendance and a family's ability to pay in determining eligibility for financial aid, the FAFSA asks for personal information such as income and tax information and social security number."⁴⁷ To be eligible for federal student aid, a student must be a U.S. citizen or eligible noncitizen.⁴⁸

Over the years, the form has been simplified to make the application process more accessible. In 2021, the FAFSA Simplification Act was enacted as part of the Consolidated Appropriations Act, which further streamlined the FAFSA form and expanded financial aid eligibility to more students by eliminating limitations on student eligibility.⁴⁹ These changes take effect beginning with the 2024-2025 award year.⁵⁰

B. California Dream Act Application

Under the California Dream Act of 2011 (AB 130 and AB 131), undocumented and non-resident students who meet certain non-resident requirements (also known as "AB 540

⁴⁵ Higher Education Act of 1965 (Pub.L. No. 89–329 (Nov. 8, 1965) 79 Stat. 1219); see also 20 U.S.C., § 1090.)

⁴⁶ Exhibit X, California Student Aid Commission, Free Application for Federal Student Aid FAQ, https://www.csac.ca.gov/sites/main/files/file-attachments/all_in_fafsa_faq.pdf (accessed on December 4, 2023), page 1.

⁴⁷ Exhibit X, Senate Committee on Education, Bill Analysis of AB 469, as amended July 5, 2021, page 5.

⁴⁸ Exhibit X, U.S. Department of Education, Eligibility for Federal Student Aid, <https://studentaid.gov/resources/eligibility-text> (accessed on November 14, 2023), page 1.

⁴⁹ Exhibit X, U.S. Department of Education, Dear Colleague Letter GEN-23-11, FAFSA Simplification Act Changes for Implementation in 2024-25 (August 4, 2023), <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2023-08-04/fafsa-simplification-act-changes-implementation-2024-25> (accessed September 27, 2023), page 1. The FAFSA Simplification Act eliminated limitations on student eligibility related to Selective Service registration and drug convictions and eliminated the ban on federal Pell Grant eligibility for confined or incarcerated individuals, amongst other changes.

⁵⁰ Exhibit X, Excerpt from Congressional Research Service, The FAFSA Simplification Act, updated August 4, 2022, page 2.

students”⁵¹) are eligible to apply for state financial aid, such as private scholarships funded through public universities, state-administered financial aid, university grants, community college fee waivers, and Cal Grants.⁵² AB 540 students who submit a California Dream Act Application and meet specified requirements are eligible to apply for student loans through the California DREAM Loan Program.⁵³ In addition to establishing the eligibility of AB 540 students for state financial aid, Education Code section 69508.5 required the California Student Aid Commission to establish procedures and forms (i.e., the California Dream Act Application) to enable eligible non-resident students to participate in California student financial aid programs. The California Student Aid Commission processes the California Dream Act Application.⁵⁴

C. Test Claim Statute (Statutes 2021, Chapter 144) and Regulations Adopted by the California Student Aid Commission (Register 2022, number 19)

Evidence suggests that students who complete a financial aid application are more likely to attend college.⁵⁵ As a result, at least a dozen states have passed or are

⁵¹ Education Code section 68130.5 (AB 540 [2001]) exempts certain California non-resident students from paying non-resident tuition rates at University of California, California State University, and California Community Colleges, if they meet certain requirements.

⁵² Exhibit X, California Student Aid Commission, California Dream Act FAQ’s for Students and Parents, https://www.csac.ca.gov/sites/main/files/file-attachments/california_dream_act_faq.pdf?1694549553 (accessed on December 4, 2023), pages 1-2; AB 130 (Stats. 2011, ch. 93), which amended Education Code section 68130.7 and added Education Code section 66021.7 (non-resident eligibility for scholarships derived from nonstate funds); AB 131 (Stats. 2011, ch. 604), which amended Education Code section 68130.7 and added Education Code sections 66021.6 (non-resident eligibility for student aid programs administered by the California State University, California Community College, and University of California systems), 69508.5 (non-resident eligibility for student financial aid programs administered by the State of California; Student Aid Commission to establish procedures and forms for eligible non-resident students to apply for state student financial aid programs), and 76300.5 (eligibility of non-resident students for fee waiver by community college districts); and Education Code section 68130.5 (requirements for non-resident tuition exemption).

⁵³ Education Code section 70030 et seq., as added by Statutes 2014, chapter 754 (SB 1210).

⁵⁴ Exhibit X, California Student Aid Commission, California Dream Act FAQ’s for Students and Parents, https://www.csac.ca.gov/sites/main/files/file-attachments/california_dream_act_faq.pdf?1694549553 (accessed on December 4, 2023), page 4.

⁵⁵ Exhibit X, Carns, *More States Require High School Seniors to Fill Out Financial Aid Form*, New York Times (Oct. 14, 2022), page 1.

considering passing laws requiring high school seniors to complete the FAFSA.⁵⁶ The test claim statute (Education Code section 51225.7, as added by Statutes 2021, chapter 144) was added as part of the higher education trailer bill to the 2021-22 budget (AB 132). While AB 132 is the statute that added Education Code section 51225.7, the requirements of the test claim statute were originally proposed as part of AB 469 (2021).⁵⁷ The legislative history for AB 469 describes the purpose of the FAFSA and California Dream Act Application filing requirements as follows:

Despite having a higher than average state poverty rate, California in 2018 ranked 30th in the country for FAFSA completion. A recent analysis by EdSource found that, in the year after the outbreak of COVID-19, FAFSA completion rates in California decreased by 11% and CADAA by 45%. These decreases were most significant among low-income students. AB 469 will require LEA's [local educational agencies] to ensure high school seniors complete the FAFSA and CADAA before graduating. The intent of this bill is to improve students' access to financial aid resources that require completion of these forms, such as the Community College Promise program. By connecting students to critical financial aid, AB 469 supports the Governor's and Legislature's vision to increase access to higher education.⁵⁸

The Assembly Committee on Education reported that “[w]hile the decline has occurred across the board, applications declined at steeper rates for students in schools designated as Title 1, those in town and rural areas, and those enrolling a higher

⁵⁶ Exhibit X, Carns, *More States Require High School Seniors to Fill Out Financial Aid Form*, New York Times (Oct. 14, 2022), page 1.

⁵⁷ Exhibit X, Senate Committee on Education, Analysis of AB 469, as amended July 5, 2021, pages 3-5 (describing proposed requirements of AB 469 prior to passage of AB 132 and stating that AB 132 contains provisions that are “nearly identical” to AB 469); Exhibit X, Assembly Floor Analysis, Analysis of AB 469, as amended September 3, 2021, page 1. After AB 132 added Education Code section 51225.7, those requirements were deleted from AB 469. Effective January 1, 2022, AB 469 amended Education Code section 51225.7 to require the California Student Aid Commission and Department of Education to facilitate the completion of the FAFSA and California Dream Act Application by sharing the current school year’s roster of pupils and matching the roster with FAFSA and California Dream Act Application pupil application data. AB 469 also added a definition of “outreach program” to mean a non-profit entity that is exempt from taxation under federal law or a public entity with experience in either assisting pupils with completing financial aid applications or serving pupils who are eligible to submit a California Dream Act Application (Education Code section 51225.7, as amended by Statutes 2021, chapter 560 (AB 469)).

⁵⁸ Assembly Committee on Education, Analysis of AB 469, as amended March 29, 2021, page 4.

percentage of students of color.”⁵⁹ The process of completing a financial aid application “poses a significant barrier to many families, particularly those in which no one has previously attended college or might be unfamiliar with the process of seeking financial aid. Such an application form can be daunting, asking students and families a range of specific questions about their household, finances, and taxes paid.”⁶⁰ It is estimated that “school districts’ failure to ensure all their students apply for aid meant that as much as \$550 million in federal and state aid was left untapped by eligible California students.”⁶¹

On May 20, 2022, the California Student Aid Commission issued guidance to high school counselors and school superintendents on the requirements of the test claim statute, stating as follows:

Local Educational Agencies (LEAs) are required to confirm that high school seniors complete a Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA). Students may alternatively complete an opt-out form, which shall be collected and retained by the high school. These requirements apply beginning with the 2022-23 school year for the 2023-2024 FAFSA/CADAA application cycle that starts on October 1, 2022.

The Commission initiated the rulemaking process to establish a model opt-out form and to establish a model acceptable use policy for data collected by the LEAs in compliance with California Education Code Section 51225.7. The Commission’s proposed regulations received final approval from the Office of Administrative Law on May 10, 2022. Approved regulations and model opt-out form are accessible on the Commission’s website.⁶²

The California Student Aid Commission further explained that the regulations it developed in accordance with Education Code section 51225.7 do not require school districts to use the model opt-out form provided by the Student Aid Commission.

⁵⁹ Assembly Committee on Education, Analysis of AB 469, as amended March 29, 2021, page 4.

⁶⁰ Exhibit X, Excerpt from Campaign for College Opportunity, Financial Aid in California, April 2020, page 2.

⁶¹ Exhibit X, Excerpt from Campaign for College Opportunity, Financial Aid in California, April 2020, page 2.

⁶² Exhibit X, California Student Aid Commission, Special Alert to High School Counselors and County and District Superintendents, May 20, 2022, page 1. The Special Alert erroneously identifies AB 469 as imposing the requirement under Education Code section 51225.7 for local educational agencies to confirm that high school seniors complete the FAFSA or California Dream Act Application. As discussed herein, that requirement was added by the test claim statute (Stats. 2021, ch. 144 [AB 132]).

Rather, districts are “encouraged to seek guidance from their counsel regarding the statutory requirement relating to use of the model opt-out form.”⁶³

III. Positions of the Parties

A. Fresno Unified School District

The claimant, Fresno Unified School District, alleges that Education Code section 51225.7, as added by the test claim statute and California Code of Regulations, title 5, section 30035, Appendices A and B, as added by the test claim regulation, result in reimbursable increased costs mandated by the state.⁶⁴ Specifically, the claimant alleges that Education Code section 51225.7 requires school districts, beginning with the 2022-23 school year, to confirm that a pupil either completes and submits a FAFSA or a California Dream Act Application (California Dream Act Application); to provide parents and legal guardians with the option of opting out of the requirement by filling out and submitting an opt-out form to the district; to exempt the pupil from the requirements and submit an opt-out form on the pupil’s behalf if the district determines that the pupil is unable to complete a financial aid application or an opt-out form; to direct pupils and their parents or legal guardians to assistance services for completing the FAFSA or California Dream Act Application; and to ensure that information shared by parents, legal guardians, and pupils in the process of complying with the requirements is handled in compliance with applicable federal and state privacy laws.⁶⁵

To implement the requirement under Education Code section 51225.7(b) of confirming that a pupil either files the FAFSA or California Dream Act Application, the claimant asserts that school counselors “assist pupils in their senior year of high school and their families to complete the FAFSA starting when application opens in October of the school year until the end of the school year” and “assist undocumented students, DACA recipients, U Visa holders and students under Temporary Protected Status who qualify for a non-resident exemption to apply for the California Dream Act.”⁶⁶ The claimant alleges that school counselors offer opt-out forms at school sites to implement Education Code section 51225.7(c), which permits parents to opt out of the FAFSA and California Dream Act Application requirements.⁶⁷ The claimant further asserts that the test claim statutes require it to designate an individual responsible for implementing and ensuring compliance with an acceptable use policy for any student information it collects pertaining to FAFSA and the California Dream Act Application.⁶⁸

⁶³ Exhibit X, California Student Aid Commission, Special Alert to High School Counselors and County and District Superintendents, May 20, 2022, page 1.

⁶⁴ Exhibit A, Test Claim, filed June 23, 2023, pages 6-7.

⁶⁵ Exhibit A, Test Claim, filed June 23, 2023, pages 9-11.

⁶⁶ Exhibit A, Test Claim, filed June 23, 2023, pages 11-12.

⁶⁷ Exhibit A, Test Claim, filed June 23, 2023, page 12.

⁶⁸ Exhibit A, Test Claim, filed June 23, 2023, pages 16, 18.

The claimant further alleges costs to develop and implement internal policies, training, and procedures relating to assisting pupils with completing the FAFSA, but states that the claimant's own counselors received free local training during fiscal years 2022-23 and 2023-24.⁶⁹ The claimant alleges that all other costs to comply with the test claim statute are \$1,126,435 for fiscal year 2022-23 and \$1,145,366 for fiscal year 2023-24, calculated as ten percent of the total annual time incurred by 80 high school counselors, with a statewide cost estimate of \$60 million.⁷⁰ The claimant is unaware of any potential offsetting funds.

The claimant objects to comments filed by Finance on the basis that they do not comply with sections 1183.2 and 1187.5 of the Commission's regulations because they include representations of fact that are not signed under penalty of perjury and are not supported by documentary evidence.⁷¹ Contrary to what Finance asserts, a test claim is not required to include a fiscal analysis, and the statewide cost estimate may be addressed during the parameters and guidelines process.⁷² The claimant points out that contrary to Finance's assertions, the claimant is not requesting reimbursement for specific training, resources, and parental workshops and did not include those activities in the statewide cost estimate.⁷³ Furthermore, Finance's concern that costs are overstated because a more simplified FAFSA beginning in 2024-25 may result in a reduction in required activities "may also be addressed during the parameters and guidelines process or by a request for mandate redeterminations."⁷⁴

The claimant disagrees with Finance's assertion that the activities required by the test claim statute were already required by Education Code section 49600(d), asserting instead that "AB 132 changed discretionary activities to mandated activities":

Requiring a pupil to complete and submit the FAFSA form; or determining if the pupil is exempt; or that a pupil may opt out of the requirements is not the same as the prior law requiring developing pupil knowledge of financial aid planning for postsecondary education by providing pupils with financial aid information on FAFSA.

The requirements prior to AB 132 were not the same for traditional school counselor duties. Even if a school counselor was performing the activities mandated by AB 132 prior to its enactment, it was not required to. AB 132 changed discretionary activities to mandated activities. Furthermore, it is

⁶⁹ Exhibit A, Test Claim, filed June 23, 2023, pages 11, 13, 16.

⁷⁰ Exhibit A, Test Claim, filed June 23, 2023, pages 14-18.

⁷¹ Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023, page 1.

⁷² Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023, page 2.

⁷³ Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023, page 2.

⁷⁴ Exhibit C, Claimant's Rebuttal Comments, filed November 2, 2023, pages 2, 4.

presumed the legislature would not enact a new law that was already required.⁷⁵

B. Department of Finance

Finance acknowledges that “AB 132 establishes new responsibilities for LEAs and school districts” but asserts that “Education Code section 51225.7(b) does not require LEAs to provide the specific training, resources, and parental workshops” set forth in the Test Claim.⁷⁶ Finance argues that the requirements established by AB 132 “generally fall within the scope of school counselor duties” under Education Code section 49600(d) and (e), namely, advising and providing information to students on financial aid for postsecondary education programs, including the FAFSA and California Dream Action Application.⁷⁷ Finance also asserts that the claimant has failed to provide sufficient evidence that existing state funding provided or accessible to school districts for financial aid outreach is inadequate and beginning in the 2024-25 school year, a new, streamlined FAFSA form will simplify the financial aid application process and “may reduce the assistance needed to facilitate its completion.”⁷⁸

IV. Discussion

Article XIII B, section 6 of the California Constitution provides in relevant part the following:

Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the state shall provide a subvention of funds to reimburse such local government for the costs of such programs or increased level of service...

The purpose of article XIII B, section 6 is to “preclude the state from shifting financial responsibility for carrying out governmental functions to local agencies, which are ‘ill equipped’ to assume increased financial responsibilities because of the taxing and spending limitations that articles XIII A and XIII B impose.”⁷⁹ Thus, the subvention requirement of section 6 is “directed to state-mandated increases in the services provided by [local government] ...”⁸⁰

Reimbursement under article XIII B, section 6 is required when the following elements are met:

⁷⁵ Exhibit C, Claimant’s Rebuttal Comments, filed November 2, 2023, page 3.

⁷⁶ Exhibit B, Finance’s Comments on the Test Claim, filed October 6, 2023, page 2.

⁷⁷ Exhibit B, Finance’s Comments on the Test Claim, filed October 6, 2023, page 2.

⁷⁸ Exhibit B, Finance’s Comments on the Test Claim, filed October 6, 2023, page 3.

⁷⁹ *County of San Diego v. State of California* (1997) 15 Cal.4th 68, 81.

⁸⁰ *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, 56.

1. A state statute or executive order requires or “mandates” local agencies or school districts to perform an activity.⁸¹
2. The mandated activity constitutes a “program” that either:
 - a. Carries out the governmental function of providing a service to the public; or
 - b. Imposes unique requirements on local agencies or school districts and does not apply generally to all residents and entities in the state.⁸²
3. The mandated activity is new when compared with the legal requirements in effect immediately before the enactment of the test claim statute or executive order and it increases the level of service provided to the public.⁸³
4. The mandated activity results in the local agency or school district incurring increased costs, within the meaning of section 17514. Increased costs, however, are not reimbursable if an exception identified in Government Code section 17556 applies to the activity.⁸⁴

The Commission is vested with the exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution.⁸⁵ The determination whether a statute or executive order imposes a reimbursable state-mandated program is a question of law.⁸⁶ In making its decisions, the Commission must strictly construe article XIII B, section 6 of the California Constitution, and not apply it as an “equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities.”⁸⁷

⁸¹ *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859, 874.

⁸² *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859, 874-875 (reaffirming the test set out in *County of Los Angeles* (1987) 43 Cal.3d 46, 56).

⁸³ *San Diego Unified School Dist.* (2004) 33 Cal.4th 859, 874-875, 878; *Lucia Mar Unified School District v. Honig* (1988) 44 Cal.3d 830, 835.

⁸⁴ *County of Fresno v. State of California* (1991) 53 Cal.3d 482, 487; *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1265, 1284; Government Code sections 17514 and 17556.

⁸⁵ *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 335.

⁸⁶ *County of San Diego v. State of California* (1997) 15 Cal.4th 68, 109.

⁸⁷ *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1265, 1280 [citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817].

A. The Test Claim Was Timely Filed.

Government Code section 17551(c) requires that a test claim be filed “not later than 12 months after the effective date of the statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later.” Section 1183.1(c) of the Commission’s regulations defines 12 months as 365 days.⁸⁸ Government Code section 17557(e) requires a test claim to be submitted by June 30 following a fiscal year to establish reimbursement eligibility for that fiscal year.

The test claim statute became effective on July 27, 2021, the test claim regulation became effective July 1, 2022, and costs were first incurred on July 1, 2022.⁸⁹ The Test Claim was filed on June 23, 2023, within 365 days of the date costs were first incurred. Accordingly, the Test Claim was timely filed.

Because the Test Claim was filed on June 23, 2023, under Government Code 17557, the potential period of reimbursement would begin on July 1, 2021. However, because the test claim statute and regulation have later effective dates, the potential period of reimbursement for the test claim statute begins on the statute’s effective date, July 27, 2021, and the potential period of reimbursement for the test claim regulation begins on the regulation’s effective date, July 1, 2022.

⁸⁸ California Code of Regulations, title 2, section 1183.1(c).

⁸⁹ Exhibit A, Test Claim, filed June 23, 2023, page 20 (Declaration of Kim Kelstrom, Chief Executive, Fiscal Services, Fresno Unified School District).

B. Education Code Section 51225.7(b), (d), and (e)(1), as Added by Statutes 2021, Chapter 144, Imposes a Reimbursable State-Mandated New Program or Higher Level of Service on School Districts Within the Meaning of Article XIII B, Section 6 of the California Constitution. However, California Code of Regulations, Title 5, Section 30035, Appendices A and B, as Added by Register 2022, Number 19, Do Not Impose Any Requirements on School Districts.

1. Education Code Section 51225.7(b), (d), and (e)(1), as Added by Statutes 2021, Chapter 144, Imposes New Requirements on School Districts. However, California Code of Regulations, Title 5, Section 30035, Appendices A and B, as Added by Register 2022, Number 19, Impose Requirements on the California Student Aid Commission, But Not on School Districts.

- a. Education Code section 51225.7(b), (d), (e)(1), and (e)(2) imposes requirements on school districts to confirm that each pupil in grade 12 completes one of two specified financial aid applications, opts out of the requirement, or is deemed exempt; to ensure that pupils in grade 12 are directed to necessary support services to complete the appropriate financial aid application; and to ensure that school districts abide by existing federal and state student privacy laws with respect to these records.

Education Code section 51225.7 requires “local education agencies” to confirm that pupils in grade 12 complete a student financial aid application or an opt-out form.⁹⁰ If the local education agency determines that the pupil cannot complete the application or an opt-out form, it must exempt the pupil and submit an opt-out form on the pupil’s behalf.⁹¹ Section 51225.7 also requires local education agencies to ensure that grade 12 pupils and their parents are directed to support services necessary to comply with the financial aid application requirement and that information shared in connection with these requirements is handled in compliance with applicable state and federal privacy laws.⁹²

Education Code section 51225.7(a) defines key terms used in the section, including “pupil” as limited to a pupil in grade 12 who attends a local educational agency high school and “local educational agencies” as school districts, county offices of education, and charter schools.⁹³ Under Government Code section 17514, “school districts” are eligible to seek reimbursement for state-mandated new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution. Government Code section 17519 defines “school district,” as “any school district,

⁹⁰ Education Code section 51225.7(b) (as added by Stats. 2021, ch. 144).

⁹¹ Education Code section 51225.7(d) (as added by Stats. 2021, ch. 144).

⁹² Education Code section 51225.7(e) (as added by Stats. 2021, ch. 144).

⁹³ Education Code section 51225.7(a)(1), (a)(3) (as added by Stats. 2021, ch. 144).

community college district, or county superintendent of schools.” The county superintendent of schools is the executive officer of the county office of education.⁹⁴ Thus, as described below, the test claim statute imposes requirements on K-12 school districts and county offices of education and, therefore, K-12 school districts and county superintendents of schools are eligible to seek reimbursement for the requirements imposed by the test claim statute, and are hereafter referred to as “school districts”.⁹⁵

Education Code section 51225.7(b) requires that beginning with the 2022–23 school year, except as provided in subdivisions (c) and (d), the school district confirm that a pupil in grade 12 complies with at least one of the following:

- (1) The pupil completes and submits to the United States Department of Education a Free Application for Federal Student Aid.
- (2) If the pupil is exempt from paying nonresident tuition pursuant to Section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Section 69508.5 for purposes of the California Dream Act.⁹⁶

As explained above, a pupil must be a U.S. citizen or eligible noncitizen in order to be eligible for the FAFSA.⁹⁷ Pupils who are not citizens but who meet other eligibility criteria may file the California Dream Act application in lieu of the FAFSA.⁹⁸ Education Code section 68130.5 exempts specified California non-resident students from paying non-resident tuition rates at University of California, California State University, and California Community Colleges, if they meet certain requirements. And Education Code section 69508.5, which established the California Dream Act, provides that students who are exempt from paying nonresident tuition under section 68130.5 are eligible to participate in any student financial aid program administered by the State of California, and required the California Student Aid Commission to establish procedures and forms to enable eligible non-resident students to participate in state financial aid programs.

⁹⁴ Education Code section 1010. County offices of education provide alternative educational programs for students attending county community schools who have been expelled from school, referred as a condition of probation, or who are homeless. (Ed. Code, § 1981, 1984, 48852.7, 48859.)

⁹⁵ Because school districts and county superintendents of schools fall within the definition of “school districts” under Government Code section 17519, this Decision uses the term “school districts” to refer to both school districts and county superintendents of schools as eligible claimants.

⁹⁶ Education Code section 51225.7(b) (as added by Stats. 2021, ch. 144).

⁹⁷ Exhibit X, U.S. Department of Education, Eligibility for Federal Student Aid, <https://studentaid.gov/resources/eligibility-text> (accessed on November 14, 2023), page 1.

⁹⁸ Education Code section 70030 et seq., as added by Statutes 2014, chapter 754 (SB 1210).

Thus, the “form established pursuant to Section 69508.5” means the California Dream Act Application to be completed by qualifying pupils in lieu of the FAFSA.

Education Code section 51225.7(c) authorizes the “parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older,” to opt out of the financial aid application requirement in subdivision (b) “by filling out and submitting an opt-out form” to the school district.⁹⁹ Section 51225.7(c) further requires the Student Aid Commission to make the opt-out form available “to all local educational agencies pursuant to subdivision (f).”¹⁰⁰ Subdivision (f) requires the Student Aid Commission, on or before July 1, 2022, to adopt regulations that include a model opt-out form and to post and make available the form on its website.¹⁰¹ California Code of Regulations, title 5, section 30035(a), as added by Register 2022, Number 19, specifies that a model opt-out form for school district use is attached as Appendix A to the regulation.

Education Code section 51225.7(d) requires the school district to exempt the pupil “or, if applicable, the pupil’s parent or legal guardian” from the financial aid application requirement in subdivision (b) if the school district determines that the pupil is unable to complete either a financial aid application or opt-out form.¹⁰² Section 51225.7(d) further requires the school district to complete and submit an opt-out form on behalf of the exempted student.¹⁰³

Education Code section 51225.7(e)(1) requires the school district to “ensure” that it “directs” each pupil and, if applicable, the pupil’s parent or legal guardian, “to any support and assistance services necessary” to complete and submit either the FAFSA or California Dream Act Application “that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.”¹⁰⁴

Section 51225.7(e)(2) requires that a school district “ensure” that it handles pupil and parent information, including personal data, shared in connection with these requirements in compliance with applicable federal and state privacy laws as follows:

(e) The governing board or body of the local educational agency shall ensure both of the following:

[¶]

⁹⁹ Education Code section 51225.7(c) (as added by Stats. 2021, ch. 144).

¹⁰⁰ Education Code section 51225.7(c) (as added by Stats. 2021, ch. 144).

¹⁰¹ Education Code section 51225.7(f) (as added by Stats. 2021, ch. 144).

¹⁰² Education Code section 51225.7(d) (as added by Stats. 2021, ch. 144).

¹⁰³ Education Code section 51225.7(d) (as added by Stats. 2021, ch. 144).

¹⁰⁴ Education Code section 51225.7(e)(1) (as added by Stats. 2021, ch. 144).

(2) Information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.¹⁰⁵

Section 51225.7(f) requires that the Student Aid Commission, on or before July 1, 2022, adopt regulations that include acceptable use policies to provide guidance on the requirements relating to state law specified in subdivision (e)(2) and post and make available those policies on its website. California Code of Regulations, title 5, section 30035(b), as added by Register 2022, Number 19, specifies that a model acceptable use policy “for the secure handling of parent, guardian, and pupil personal information gathered by local education agencies pursuant to Education Code Section 51225.7(e)(2)” is attached as Appendix B to the regulation.

The claimant asserts that Education Code section 51225.7(e)(2) requires the school district to designate an individual responsible for implementing and ensuring compliance with an acceptable use policy as well as the confidentiality of information pertaining to the financial aid applications for purposes of complying with Education Code section 51225.7.¹⁰⁶ Section 51225.7(e)(2), however, simply requires school districts to ensure they abide by existing federal and state student privacy laws. To the extent that the claimant relies on California Code of Regulations, title 5, section 30035, Appendix B in asserting that a school district must designate an individual to oversee the acceptable use policy, that argument similarly fails. Appendix B is the model acceptable use policy adopted by the California Student Aid Commission and states in relevant part that “[Local Educational Agency] designates [XXXXXXXX], [Position] as the individual responsible for implementing this policy and ensuring compliance with its provisions.”¹⁰⁷ There is no language in the test claim statute or regulation, however, requiring a school district to adopt an acceptable use policy, and therefore, the language in the model acceptable use policy (Appendix B) stating that the local educational agency designate an individual responsible for implementing and ensuring compliance with the policy, is not a requirement imposed on school districts by the test claim statute or regulation. Furthermore, school districts have a preexisting duty under other state laws to establish written policies and procedures governing access to, and the confidentiality of, all pupil records and are required to designate an individual to oversee the implementation of such policies.¹⁰⁸

¹⁰⁵ Education Code section 51225.7(e)(2) (as added by Stats. 2021, ch. 144).

¹⁰⁶ Exhibit A, Test Claim, filed June 23, 2023, page 16.

¹⁰⁷ California Code of Regulations, title 5, section 30035, Appendix B, as added by Register 2022, number 19.

¹⁰⁸ California Code of Regulations, title 5, sections 431(a) (“Local governing boards shall designate a certificated employee as custodian of records. Such employee shall be

Therefore, the Commission finds that Education Code section 51225.7 requires school districts, including county offices of education, to perform the following activities:

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.¹⁰⁹
- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.¹¹⁰
- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.¹¹¹
- Ensure that information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.

charged with districtwide responsibility for implementing board policies relating to pupil records”), 431(c) (“Each district shall establish written policies and procedures for pupil records which implement Education Code Section 49060, and Title 5 regulations relating to pupil records”). “Pupil record” is broadly defined as “information relative to an individual pupil gathered within or without the school system and maintained within the school system, regardless of the physical form in which it is maintained.” California Code of Regulations, title 5, section 430(d).

¹⁰⁹ Education Code section 51225.7(b).

¹¹⁰ Education Code section 51225.7(d).

¹¹¹ Education Code section 51225.7(e)(1).

The claimant also alleges that Education Code section 51225.7 requires school districts to develop and implement internal policies, training, and procedures to assist pupils with completing the FAFSA and California Dream Act Application; train staff to administer the FAFSA; and to provide support and assistance to pupils in grade 12 and their families with completing and submitting the FAFSA and the California Dream Act Application, namely through school counselor assistance and in-person workshops.¹¹² The claimant also states that Education Code section 51225.7(c) requires school counselors to offer opt-out forms at school sites.¹¹³

Developing and implementing internal policies, training, and procedures, training staff on how to assist pupils in grade 12 with completing and submitting the FAFSA and California Dream Act Application, and providing “support and assistance” to pupils in completing the appropriate financial aid application through school counseling sessions and in-person “parent night” workshops are not required by the plain language of Education Code section 51225.7. Rather, the test claim statute requires the school district to “confirm” that a pupil in grade 12 files either the FAFSA or California Dream Act Application or submits an opt-out form, and to direct students to external support services necessary to complete the financial aid application, but does not specify how the school district satisfy these requirements.

Furthermore, while section 51225.7(c) provides that a pupil or parent may opt out of the financial aid application requirement by submitting an opt-out form to the school district, the plain language of that subdivision does not require a school district, either through a school counselor or otherwise, to provide the pupil or parent with an opt-out form. Section 51224.7(c), (f) require the California Student Aid Commission to develop a model opt-out form and make it available to school districts on its website, but the test claim statute does not require the school district to provide an opt-out form to pupils and parents seeking to opt-out of the financial aid application requirement.¹¹⁴

- b. The requirements imposed on school districts by Education Code section 51225.7(b), (d), and (e)(1) are new; however, the requirement in Education Code section 51225.7(e)(2) is *not* new.

Education Code section 51225.7(b), (d), and (e)(1) (as added by Stats. 2021, ch. 144) impose new requirements on school districts. Prior law did not require school districts to confirm that students in grade 12 completed and submitted the FAFSA or California Dream Act Application, opted out of the application submission requirement, or were

¹¹² Exhibit A, Test Claim, filed June 23, 2023, pages 11-12, 13-14.

¹¹³ Exhibit A, Test Claim, filed June 23, 2023, page 12.

¹¹⁴ Developing policies and procedures, training staff, and offering the opt-out forms at school sites may be proposed for inclusion in the Parameters and Guidelines if they are supported by substantial evidence showing they are “reasonably necessary” to comply with the mandate. Government Code section 17557(a) and California Code of Regulations, title 2, section 1183.7(d) and 1187.5.

deemed exempt. Nor were school districts required to direct students in grade 12 to support services to assist them in completing a financial aid application.

Under prior law, Education Code section 51225.8 (Stats. 2018, ch. 533) required school districts, beginning with the 2020-21 school year, to “ensure that each of its pupils receives information on how to properly complete and submit the Free Application for Federal Student Aid (FAFSA) or the California Dream Act Application, as appropriate, at least once *before the pupil enters grade 12*” and to “ensure that a paper copy of the FAFSA or California Dream Act Application is provided to each pupil, upon request.”¹¹⁵ Section 51225.8 gives the school district discretion on how it disseminates this financial aid application information, which may be through in-class instruction, existing programs, family information sessions, or school counseling sessions.

These activities do not overlap with the requirements of the test claim statute. The requirements under Section 51225.8 pertain to activities the district must perform *at least once before the pupil enters grade 12*, whereas the test claim statute activities are limited to *pupils in grade 12*, who are at the stage of completing a financial aid application. Furthermore, unlike the test claim statute, Section 51225.8 does not impose a requirement on the school district to confirm that a pupil either completes and submits the FAFSA or California Dream Act Application or opts out of the requirement, nor does it require the district to submit an opt-out form on behalf of any student it deems unable to comply with the application or out-out requirements. Nor does Section 51225.8 require a school district to direct students to support and assistance services to complete the appropriate financial aid application, such as programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.

Finance argues that the requirements imposed on school districts by the test claim statute fall within the scope of the school counselor duties described in Education Code sections 49600(d)(4) and (e)(5), which provide as follows:

(d) Educational counseling *shall* include academic counseling and postsecondary services, in the following areas... (4) Academic planning for access and success in higher education programs, including advisement on courses needed for admission to colleges and universities, standardized admissions tests, and financial aid.

* * *

(e) Educational counseling *may* also include counseling in any of the following... (5) Developing pupil knowledge of financial aid planning for postsecondary education by providing pupils with financial aid information, including, but not limited to, information on the Free Application for Federal Student Aid (FAFSA), the California Dream Act application (California Dream Act Application), the Cal Grant Program established

¹¹⁵ Education Code section 51225.8(a), (b) (as added by Stats. 2018, ch. 533), emphasis added.

pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3, local and national scholarship programs, financial aid programs and resources for foster and homeless youth, fee waiver programs, and other financial aid programs and options, and net college cost.¹¹⁶

This argument fails for several reasons. At the time the test claim statute became effective, Section 49600 did not contain subdivision (e)(5) or similar language.¹¹⁷ And even if it had, subdivision (e)(5) does not impose any requirements on a school district (“Educational counseling *may* also include...”).¹¹⁸ Additionally, Finance has omitted the opening provision in Section 49600 (Stats. 2017, ch. 641), which states that a school district “*may* provide a comprehensive educational counseling program for all pupils enrolled in the school district.”¹¹⁹ Thus, at the time the test claim statute was enacted, Education Code section 49600 authorized, but did not require, school districts to provide educational counseling, and any requirements imposed on school counselors, including those listed in subdivision (d)(4), stemmed from the voluntary decision of a school district to provide educational counseling.¹²⁰

More importantly, however, the requirements under Section 49600 are not the same as those under the test claim statute. Under Section 49600(d)(4), when districts elected to provide an educational counseling program, school counselors were required to advise students on financial aid for higher education programs.¹²¹ They were not required to “confirm” that students either completed the FAFSA or California Dream Act Application or opted out of the requirement, or to exempt students deemed unable to comply with those requirements. Nor were they required to direct students to external outreach programs for assistance with completing the appropriate financial aid application.

¹¹⁶ Exhibit B, Finance’s Comments on the Test Claim, filed October 6, 2023, page 1, citing Education Code section 49600(d)(4), (e)(5), as amended by Statutes 2022, chapter 153.

¹¹⁷ Section 49600, as amended by Statutes 2022, chapter 153, added subdivision (e)(5) effective January 1, 2023, *after* the test claim statute’s July 27, 2021 effective date. At the time the test claim statute became effective, Section 49600(d)(4) (Stats. 2017, ch. 641) stated as follows:

(d) Educational counseling shall include academic counseling, in which pupils receive counseling in the following areas... (4) Academic planning for access and success in higher education programs, including advisement on courses needed for admission to public colleges and universities, standardized admissions tests, and financial aid.

¹¹⁸ Education Code section 49600(d)(4), (e)(5), as amended by Statutes 2022, chapter 153; Education Code section 75 (“‘Shall’ is mandatory and ‘may’ is permissive”).

¹¹⁹ Education Code section 49600(a), as amended by Statutes 2017, chapter 641.

¹²⁰ Education Code section 75: “‘Shall’ is mandatory and ‘may’ is permissive.”

¹²¹ Section 49600(d)(4), as amended by Statutes 2017, chapter 641.

Furthermore, the test claim statute imposes requirements on “local educational agencies” (including school districts), not school counselors. Therefore, school districts can choose to have any one of their employees perform the required activities under the test claim statute.

Accordingly, the Commission finds that the requirements imposed by Education Code section 51225.7(b), (d), and (e)(1) (as added by Stats. 2021, ch. 144) are new.

However, the requirement in Education Code section 51225.7(e)(2) is *not* new. That section requires school districts to “ensure that information shared by parents, legal guardians, and pupils under this section is handled in compliance with the federal Family Educational Rights and Privacy Act of 2001 (20 U.S.C. Sec. 1232g) and applicable state laws, including Chapters 493 and 495 of the Statutes of 2017, regardless of any person's immigration status or other personal information, in order to protect all pupil and parent data to the fullest extent possible so that schools and all personal data remain safe.” School districts have a preexisting duty under the federal Family Educational Rights and Privacy Act (FERPA) and state law to maintain the confidentiality of student education records, and risk losing federal funding if they disclose “personally identifiable information in education records,” with “education records” broadly defined as records that contain information directly related to a student that are maintained by an educational agency or institution, or by a party acting for the agency or institution.¹²² An educational agency or institution is permitted to disclose personally identifiable information from a student’s education record without prior consent in connection with the student’s application for or receipt of financial aid.¹²³

Similarly, “Chapters 493 and 495 of Statutes 2017” refers to AB 699 (2017) and SB 54 (2017), respectively, which are state laws aimed at protecting the immigration and citizenship status of pupils. As relevant here, AB 699 added Education Code section 234.7, which prohibits a school from collecting information regarding the immigration status of pupils or their family members, except as required by law or to administer a state or federal educational program.¹²⁴ SB 54 added Government Code section 7284 et seq., which prohibits state and local law enforcement agencies, including school police and security departments, from using money or personnel to investigate, interrogate, detain, detect, or arrest persons for immigration enforcement purposes, including providing an individual’s “personal information,” as defined in Civil Code section 1798.3 (“any information that is maintained by an agency that identifies or describes an individual, including, but not limited to, the individual’s name, social security number, physical description, home address, home telephone number,

¹²² United States Code, title 20, section 1232g(a)(4), (b); Code of Federal Regulations, title 34, section 99.3. Education Code sections 49060 et seq. and California Code of Regulations, title 5, section 430 et seq. are the California laws that correspond to FERPA.

¹²³ Code of Federal Regulations, title 34, section 99.31(a)(4).

¹²⁴ Education Code section 234.7, as added by Statutes 2017, chapter 493 (AB 699).

education, financial matters, and medical or employment history”).¹²⁵ Thus, under these federal and state laws, school districts were already required to protect the privacy of student and familial personal information, including financial and immigration information.

Furthermore, as stated above, school districts have a preexisting duty under state law to establish written policies and procedures governing access to, and the confidentiality of, all pupil records and are required to designate an individual to oversee the implementation of such policies.¹²⁶

Thus, the requirement in section 51225.7(e)(2), to ensure that school districts comply with FERPA and state student privacy laws when handling information shared in connection with completing the FAFSA or California Dream Action Application, is not new.

- c. California Code of Regulations, title 5, section 30035, Appendices A and B do not impose any requirements on school districts and, thus, do not constitute a reimbursable state-mandated program.

Education Code section 51225.7(f) requires that by July 1, 2022, the Student Aid Commission adopt regulations that include a model opt-out form and acceptable use policy for maintaining the privacy of pupil and parent data as referenced in Section 51225.7(e)(2). As a result, California Code of Regulations, title 5, section 30035 and Appendices A and B were added, effective July 1, 2022 (Register 2022, No. 19). Appendix A is the model opt-out form and Appendix B is the model acceptable use policy.¹²⁷

The claimant cites this regulation and appendices as additional bases for the test claim activities.¹²⁸ However, these regulations do not impose any requirements on school districts. Rather, section 30035 states that it “provides” a model opt-out form (Appendix A) for local educational agencies “to document grade 12 pupils who elect not to submit,

¹²⁵ Government Code section 7284 et seq., as added by Statutes 2017, chapter 495 (SB 54); Government Code section 7284.6(a)(1) (Stats. 2017, ch. 495).

¹²⁶ California Code of Regulations, title 5, sections 431(a) (“(a) Local governing boards shall designate a certificated employee as custodian of records. Such employee shall be charged with districtwide responsibility for implementing board policies relating to pupil records”), 431(c) (“(Each district shall establish written policies and procedures for pupil records which implement Education Code Section 49060, and Title 5 regulations relating to pupil records”). “Pupil record” is broadly defined as “information relative to an individual pupil gathered within or without the school system and maintained within the school system, regardless of the physical form in which it is maintained.” California Code of Regulations, title 5, section 430(d).

¹²⁷ Exhibit A, Test Claim, filed June 23, 2023, pages 209-215 (California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Reg. 2022, no. 19).

¹²⁸ Exhibit A, Test Claim, filed June 23, 2023, pages 2, 6, 7, 9, 10, 12-18.

or are determined to be exempt from submitting” a FAFSA or California Dream Act Application; and a model acceptable use policy (Appendix B) “for the secure handling of parent, guardian, and pupil personal information gathered by local education agencies.”¹²⁹ Furthermore, guidance issued by the California Student Aid Commission explains that the regulations do not require school districts to use the model opt-out form.¹³⁰

Thus, the plain language of California Code of Regulations, title 5, section 30035, and Appendices A and B do not impose any requirements on school districts.

2. The New Activities Required by Education Code section 51225.7(b), (d), and (e)(1), as Added by Statutes 2021, Chapter 144, Are Mandated by the State on School Districts.

To be reimbursable under article XIII B, section 6 of the California Constitution, the new requirements imposed by Education Code section 51225.7(b), (d), and (e)(1), must be mandated by the state; or ordered, commanded, or legally compelled by state law.¹³¹ The California Supreme Court defined legal compulsion as follows:

Legal compulsion occurs when a statute or executive action uses mandatory language that “ ‘require[s]’ or ‘command[s]’ ” a local entity to participate in a program or service. [citations omitted] [construing the term “mandates” in art. XIII B, § 6 to mean “ ‘orders’ or ‘commands’ ”].) Stated differently, legal compulsion is present when the local entity has a mandatory, legally enforceable duty to obey.¹³²

Here, the plain language of Education Code section 51225.7(b), (d), and (e)(1) states that school districts “shall” perform the activities of confirming that a pupil in grade 12 completes the FAFSA or California Dream Act Application or submits an opt-out form; exempting any pupil that cannot complete a financial aid application or opt-out form and submitting an opt-out form on the pupil’s behalf; and ensuring that pupils in grade 12 are directed to the necessary support services to complete the appropriate financial aid application. Education Code section 75 provides that “[s]hall is mandatory and ‘may’ is permissive.”

¹²⁹ California Code of Regulations, title 5, section 30035, Appendices A and B, as added by Register 2022, number 19.

¹³⁰ Exhibit X, California Student Aid Commission, Special Alert to High School Counselors and County and District Superintendents, May 20, 2022, page 1.

¹³¹ *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859, 874; *Department of Finance v. Commission on State Mandates (Kern High School Dist.)* (2003) 30 Cal.4th 727, 741.

¹³² *Coast Community College Dist. v. Commission on State Mandates* (2022) 13 Cal.5th 800, 815. See also *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859, 874.

Accordingly, the Commission finds that Education Code section 51225.7 imposes the following state-mandated activities on school districts, including county offices of education, beginning July 27, 2021:

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 either completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.¹³³
- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.¹³⁴
- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.¹³⁵

3. The Activities Mandated by Education Code Section 51225.7(b), (d), and (e)(1), as Added by Statutes 2021, Chapter 144, Constitute a New Program or Higher Level of Service.

State mandate reimbursement is not required for any and all costs that might be incurred by local government as an incident of a change in law or regulation. Alleged costs must also constitute a new program or higher level of service within the meaning of article XIII B, section 6. The California Supreme Court explained in *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, that a new program or higher level of service means “programs that carry out the governmental function of providing services to the public, or laws which, to implement a state policy, impose unique requirements on local government and do not apply generally to all residents and entities in the state,” as follows:

¹³³ Education Code section 51225.7(b).

¹³⁴ Education Code section 51225.7(d).

¹³⁵ Education Code section 51225.7(e)(1).

Looking at the language of section 6 then, it seems clear that by itself the term “higher level of service” is meaningless. It must be read in conjunction with the predecessor phrase “new program” to give it meaning. Thus read, it is apparent that the subvention requirement for increased or higher level of service is directed to state mandated increases in the services provided by local agencies in existing “programs.” But the term “program” itself is not defined in article XIII B. What programs then did the electorate have in mind when section 6 was adopted? We conclude that the drafters and the electorate had in mind the commonly understood meanings of the term – *programs that carry out the governmental function of providing services to the public, or laws which, to implement a state policy, impose unique requirements on local governments and do not apply generally to all residents and entities in the state.*¹³⁶

As indicated above, the state-mandated activities are newly imposed on school districts. Furthermore, the requirements are imposed uniquely on school districts. In addition, the courts have held that education is a peculiarly governmental function administered by local agencies as a service to the public.¹³⁷ Additionally, requiring school districts to confirm that all twelfth grade students either apply for financial aid or complete an opt-out form and ensure students are directed to necessary support services to assist them in completing the appropriate financial aid application provides a service to the public by increasing awareness of and access to financial aid resources and higher education.¹³⁸

Thus, the Commission finds that the above-listed activities mandated by Education Code section 51225.7(b), (d), and (e)(1), as added by Statutes 2021, chapter 144, impose a new program or higher level of service.

4. Education Code Section 51225.7(b), (d), and (e)(1), as Added by Statutes 2021, Chapter 144, Imposes Increased Costs Mandated by the State Within the Meaning of Article XIII B, Section 6 of the California Constitution and Government Code Section 17514.

The final criteria that must be met for the mandated new requirements to constitute a reimbursable state-mandated program under article XIII B, section 6 of the California Constitution is that the mandated activities must result in a school district incurring increased costs mandated by the state within the meaning of Government Code section 17514. That section defines “costs mandated by the state” as any increased costs that a local agency or school district incurs as a result of any statute or executive order that mandates a new program or higher level of service. Government Code section 17564 also provides that “[n]o claim shall be made pursuant to Sections 17551, . . . , nor shall

¹³⁶ *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, 56, emphasis added.

¹³⁷ *Long Beach Unified Sch. Dist. v. State of California* (1990) 225 Cal.App.3d 155, 172.

¹³⁸ Exhibit X, Assembly Floor Analysis, Analysis of AB 469, as amended September 3, 2021, page 2.

any payment be made on claims submitted pursuant to Sections 17551 or 17561, . . . , unless these claims exceed one thousand dollars (\$1,000).” Even if the claims exceed \$1,000, however, the claimed costs are not reimbursable if an exception identified in Government Code section 17556 applies.

The claimant alleges that it has incurred increased costs of \$1,126,435 for fiscal year 2022-23 and \$1,145,366,30 for fiscal year 2023-24.¹³⁹ These figures represent ten percent of the total salary and benefits for eighty high school counselors during the 2022-2023 and 2023-2024 school years, respectively, based on the claimant’s assertion that the test claim statute activities are performed by school counselors.¹⁴⁰ The claimant supports these claimed costs with a declaration from Kim Kelstrom, Chief Executive, Fiscal Services, Fresno Unified School District, stating that the test claim statute activities performed by eighty high school counselors involve a total of ten percent of the counselors’ time during the respective school year.¹⁴¹ The declaration further explains that a high school counselor’s caseload averages 350-400 students, and there are approximately 3,538 high school seniors in the district based on enrollment data as of June 7, 2023.¹⁴² The claimant also offers as evidence a spreadsheet showing salary and benefits calculations for high school counselors in the district for fiscal year 2023-2024.¹⁴³

Thus, the record contains substantial evidence that the claimant’s costs to comply with the mandated new program or higher level of service exceed \$1,000.¹⁴⁴ Further, no state funds have been specifically appropriated to fund this program, nor have any potential sources of offsetting revenues been identified. Additionally, none of the exceptions to reimbursement in Government Code section 17556 apply to deny this Test Claim. Therefore, the Commission finds that the test claim statute imposes increased costs mandated by the state.

V. Conclusion

Based on the foregoing analysis, the Commission partially approves this Test Claim and finds that Education Code section 51225.7, as added by Statutes 2021, Chapter 144, imposes a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution on school districts, including county offices of education, to perform the following new state-mandated activities beginning July 27, 2021:

¹³⁹ Exhibit A, Test Claim, filed June 23, 2023, pages 14-18.

¹⁴⁰ Exhibit A, Test Claim, filed June 23, 2023, pages 13-18.

¹⁴¹ Exhibit A, Test Claim, filed June 23, 2023, pages 22, 25 (Declaration of Kim Kelstrom, Chief Executive, Fiscal Services, Fresno Unified School District).

¹⁴² Exhibit A, Test Claim, filed June 23, 2023, pages 22, 25.

¹⁴³ Exhibit A, Test Claim, filed June 23, 2023, pages 29-31.

¹⁴⁴ Government Code section 17559(b).

- Commencing with the 2022–23 school year, confirm that a pupil in grade 12 either completes and submits to the United States Department of Education a Free Application for Federal Student Aid (FAFSA); or, if the pupil is exempt from paying nonresident tuition pursuant to Education Code section 68130.5, the pupil completes and submits to the Student Aid Commission a form established pursuant to Education Code section 69508.5 for purposes of the California Dream Act (also known as the California Dream Act Application), unless the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, elects to opt out of the requirements of this section by filling out and submitting an opt-out form to the school district or county office of education.¹⁴⁵
- If it is determined that a pupil is unable to complete and submit the FAFSA or California Dream Act Application, or an opt-out form, exempt the pupil or, if applicable, the pupil's parent or legal guardian, and complete and submit an opt-out form on the pupil's behalf.¹⁴⁶
- Ensure that each pupil in grade 12 and, if applicable, the pupil's parent or legal guardian, is directed to any support and assistance services necessary to comply with the financial aid application requirement described in Education Code section 51225.7(b) that may be available through outreach programs, including, but not limited to, those programs operated by the Student Aid Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.¹⁴⁷

The Commission further finds that California Code of Regulations, title 5, section 30035, Appendices A and B, as added by the test claim regulation, do not impose any requirements on school districts and, therefore, do not constitute a reimbursable state-mandated program.

¹⁴⁵ Education Code section 51225.7(b).

¹⁴⁶ Education Code section 51225.7(d).

¹⁴⁷ Education Code section 51225.7(e)(1).

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On March 5, 2024, I served the:

- **Current Mailing List dated February 16, 2024**
- **Draft Proposed Decision, Schedule for Comments, and Notice of Hearing issued March 5, 2024**

Free Application for Federal Student Aid (FAFSA), 22-TC-05
Statutes 2021, Chapter 144, Section 10 (AB 132); Education Code Section 51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective July 27, 2021
Fresno Unified School District, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on March 5, 2024 at Sacramento, California.



Jill L. Magee
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 2/16/24

Claim Number: 22-TC-05

Matter: Free Application for Federal Student Aid (FAFSA)

Claimant: Fresno Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

Amber Alexander, *Department of Finance*

Education Systems Unit, 915 L Street, 7th Floor, Sacramento, Ca

Phone: (916) 445-0328

Amber.Alexander@dof.ca.gov

Michael Alferes, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*

925 L Street, Suite 1000, Sacramento, CA 95816

Phone: (916) 319-8332

michael.alferes@lao.ca.gov

Brooks Allen, Executive Director, *California State Board of Education (SBE)*

1430 N Street, Suite 5111, Sacramento, CA 95814

Phone: (916) 319-0708

BRAllen@cde.ca.gov

Lili Apgar, Specialist, *State Controller's Office*

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 324-0254

lapgar@sco.ca.gov

Socorro Aquino, *State Controller's Office*

Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 322-7522

SAquino@sco.ca.gov

Harmeet Barkschat, *Mandate Resource Services, LLC*

5325 Elkhorn Blvd. #307, Sacramento, CA 95842

Phone: (916) 727-1350

harmeet@comcast.net

Ginni Bella Navarre, Deputy Legislative Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8342
Ginni.Bella@lao.ca.gov

Mike Brown, *School Innovations & Advocacy*
5200 Golden Foothill Parkway, El Dorado Hills, CA 95762
Phone: (916) 669-5116
mikeb@sia-us.com

Guy Burdick, Consultant, *MGT Consulting*
2251 Harvard Street, Suite 134, Sacramento, CA 95815
Phone: (916) 833-7775
gburdick@mgtconsulting.com

Edgar Cabral, Fiscal and Policy Analyst, K-12, *Legislative Analyst's Office*
925 L Street, Suite 100, Sacramento, CA 95816
Phone: (916) 319-8332
edgar.cabral@lao.ca.gov

Evelyn Calderon-Yee, Bureau Chief, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: (916) 324-5919
ECalderonYee@sco.ca.gov

Veronica Causor-Lara, Manager, Internal Audit, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
vcausorlara@sjusd.org

Carolyn Chu, Senior Fiscal and Policy Analyst, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8326
Carolyn.Chu@lao.ca.gov

Lisa Constancio, Senior Deputy Director, *California State Board of Education (SBE)*
1430 N Street, Suite 5111, Sacramento, CA 95814
Phone: (916) 319-0708
LConstancio@cde.ca.gov

Margaret Demauro, Finance Director, *Town of Apple Valley*
14955 Dale Evans Parkway, Apple Valley, CA 92307
Phone: (760) 240-7000
mdemauro@applevalley.org

Martina Dickerson, Staff Finance Budget Analyst, *Department of Finance*
Education, Department of Finance, Sacramento, CA 95814
Phone: (916) 445-0328
Martina.Dickerson@dof.ca.gov

Andra Donovan, *San Diego Unified School District*
Legal Services Office, 4100 Normal Street, Room 2148, , San Diego, CA 92103
Phone: (619) 725-5630
adonovan@sandi.net

Virginia Jo Dunlap, Chief Counsel II, *California Department of Education*
Legal, Audits and Charters Branch, 1430 N Street, Sacramento, CA 95814

Phone: (916) 319-0860
vdunlap@cde.ca.gov

Donna Ferebee, *Department of Finance*
915 L Street, Suite 1280, Sacramento, CA 95814
Phone: (916) 445-8918
donna.ferebee@dof.ca.gov

Chris Ferguson, *Department of Finance*
Education Systems Unit, 915 L Street, 7th Floor, 915 L Street, 7th Floor, Sacramento, CA 95814
Phone: (916) 445-3274
Chris.Ferguson@dof.ca.gov

Brianna Garcia, *Education Mandated Cost Network*
1121 L Street, Suite 1060, Sacramento, CA 95814
Phone: (916) 446-7517
briannag@sscal.com

Marlene Garcia, Executive Director, *California Student Aid Commission*
PO Box 419026, Rancho Cordova, CA 95741-9026
Phone: (916) 464-8271
marlene.garcia@csac.ca.gov

Len Garfinkel, General Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814
Phone: (916) 319-0860
lgarfinkel@cde.ca.gov

Juliana Gmur, Acting Executive Director, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
juliana.gmur@csm.ca.gov

Mike Gomez, Revenue Manager, *City of Newport Beach*
100 Civic Center Drive, Newport Beach, CA 92660
Phone: (949) 644-3240
mgomez@newportbeachca.gov

Heather Halsey, Executive Director, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
heather.halsey@csm.ca.gov

Tiffany Hoang, Associate Accounting Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,
Sacramento, CA 95816
Phone: (916) 323-1127
THoang@sco.ca.gov

Jason Jennings, Director, *Maximus Consulting*
Financial Services, 808 Moorefield Park Drive, Suite 205, Richmond, VA 23236
Phone: (804) 323-3535
SB90@maximus.com

Angelo Joseph, Supervisor, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 740,
Sacramento, CA 95816

Phone: (916) 323-0706
AJoseph@sco.ca.gov

Lorena Jung, *San Jose Unified School District*
855 Lenzen Avenue, San Jose, CA 95126
Phone: (408) 535-6000
ljung@sjusd.org

Shazleen Kahn, Education Fiscal Policy Assistant, *California Department of Education*
Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814
Phone: (916) 639-3197
skhan@cde.ca.gov

Doug Kimberly, Superintendent, *Lake Elsinore Unified School District*
545 Chaney Street, Lake Elsinore, CA 92530
Phone: (951) 253-7000
Doug.Kimberly@leusd.k12.ca.us

Jennifer Kuhn, Deputy, *Legislative Analyst's Office*
925 L Street, Suite 1000, Sacramento, CA 95814
Phone: (916) 319-8332
Jennifer.kuhn@lao.ca.gov

Lisa Kurokawa, Bureau Chief for Audits, *State Controller's Office*
Compliance Audits Bureau, 3301 C Street, Suite 700, Sacramento, CA 95816
Phone: (916) 327-3138
lkurokawa@sco.ca.gov

Audin Leung, Student Leader, *Free the Period California*
1 Shield Ave, Pierce Co-op TB14, Davis, CA 95616
Phone: (415) 318-9343
freetheperiod.ca@gmail.com

Kristin Lindgren-Bruzzone, General Counsel, *California School Boards Association*
3251 Beacon Boulevard, West Sacramento, CA 95691
Phone: (916) 669-3243
klindgren-bruzzone@csba.org

Diego Lopez, Consultant, *Senate Budget and Fiscal Review Committee*
1020 N Street, Room 502, Sacramento, CA 95814
Phone: (916) 651-4103
Diego.Lopez@sen.ca.gov

Everett Luc, Accounting Administrator I, Specialist, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0766
ELuc@sco.ca.gov

Jill Magee, Program Analyst, *Commission on State Mandates*
980 9th Street, Suite 300, Sacramento, CA 95814
Phone: (916) 323-3562
Jill.Magee@csm.ca.gov

Darryl Mar, Manager, *State Controller's Office*
3301 C Street, Suite 740, Sacramento, CA 95816
Phone: (916) 323-0706
DMar@sco.ca.gov

Elizabeth McGinnis, Commission on State Mandates

980 9th Street, Suite 300, Sacramento, CA 95814

Phone: (916) 323-3562

Elizabeth.McGinnis@csm.ca.gov

Tina McKendell, County of Los Angeles

Auditor-Controller's Office, 500 West Temple Street, Room 603, Los Angeles, CA 90012

Phone: (213) 974-0324

tmckendell@auditor.lacounty.gov

Michelle Mendoza, MAXIMUS

17310 Red Hill Avenue, Suite 340, Irvine, CA 95403

Phone: (949) 440-0845

michellemendoza@maximus.com

Marilyn Munoz, Senior Staff Counsel, Department of Finance

915 L Street, Sacramento, CA 95814

Phone: (916) 445-8918

Marilyn.Munoz@dof.ca.gov

Bob Nelson, Interim Superintendent, Fresno Unified School District**Claimant Contact**

2309 Tulare Street, Fresno, CA 93721

Phone: (559) 457-3882

Bob.Nelson@fresnounified.org

Melissa Ng, Staff Finance Budget Analyst, Department of Finance

Education, 915 L Street, 7th Floor, Sacramento, CA 95814

Phone: (916) 445-0328

Melissa.Ng@dof.ca.gov

Michelle Nguyen, Department of Finance

Education Unit, 915 L Street, Sacramento, CA 95814

Phone: (916) 445-0328

Michelle.Nguyen@dof.ca.gov

Andy Nichols, Nichols Consulting

1857 44th Street, Sacramento, CA 95819

Phone: (916) 455-3939

andy@nichols-consulting.com

Arthur Palkowitz, Law Offices of Arthur M. Palkowitz**Claimant Representative**

12807 Calle de la Siena, San Diego, CA 92130

Phone: (858) 259-1055

law@artpalk.onmicrosoft.com

Kirsten Pangilinan, Specialist, State Controller's Office

Local Reimbursements Section, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: (916) 322-2446

KPangilinan@sco.ca.gov

Roberta Raper, Director of Finance, City of West Sacramento

1110 West Capitol Ave, West Sacramento, CA 95691

Phone: (916) 617-4509

robertar@cityofwestsacramento.org

Seth Reddy, San Jose Unified School District

855 Lenzen Avenue, San Jose, CA 95126

Phone: (408) 535-6000

sreddy@sjusd.org

Sandra Reynolds, President, Reynolds Consulting Group, Inc.

P.O. Box 891359, Temecula, CA 92589-1359

Phone: (888) 202-9442

reginc19@gmail.com

Cindy Sconce, Director, MGT

Performance Solutions Group, 3600 American River Drive, Suite 150, Sacramento, CA 95864

Phone: (916) 276-8807

csconce@mgtconsulting.com

Camille Shelton, Chief Legal Counsel, Commission on State Mandates

980 9th Street, Suite 300, Sacramento, CA 95814

Phone: (916) 323-3562

camille.shelton@csm.ca.gov

Carla Shelton, Commission on State Mandates

980 9th Street, Suite 300, Sacramento, CA 95814

Phone: (916) 323-3562

carla.shelton@csm.ca.gov

Steve Shields, Shields Consulting Group, Inc.

1536 36th Street, Sacramento, CA 95816

Phone: (916) 454-7310

steve@shieldscg.com

Natalie Sidarous, Chief, State Controller's Office

Local Government Programs and Services Division, 3301 C Street, Suite 740, Sacramento, CA 95816

Phone: 916-445-8717

NSidarous@sco.ca.gov

Amy Tang-Paterno, Educational Fiscal Services Consultant, California Department of Education

Government Affairs, 1430 N Street, Suite 5602, Sacramento, CA 95814

Phone: (916) 322-6630

ATangPaterno@cde.ca.gov

Jolene Tollenaar, MGT Consulting Group

2251 Harvard Street, Suite 134, Sacramento, CA 95815

Phone: (916) 243-8913

jolenetollenaar@gmail.com

Brian Uhler, Principal Fiscal & Policy Analyst, Legislative Analyst's Office

925 L Street, Suite 1000, Sacramento, CA 95814

Phone: (916) 319-8328

Brian.Uhler@LAO.CA.GOV

Adam Whelen, Director of Public Works, City of Anderson

1887 Howard St., Anderson, CA 96007

Phone: (530) 378-6640

awhelen@ci.anderson.ca.us

Colleen Winchester, Senior Deputy City Attorney, City of San Jose

200 East Santa Clara Street, 16th Floor, San Jose, CA 95113

Phone: (408) 535-1987
Colleen.Winchester@sanjoseca.gov

Jacqueline Wong-Hernandez, Deputy Executive Director for Legislative Affairs, *California State Association of Counties (CSAC)*
1100 K Street, Sacramento, CA 95814
Phone: (916) 650-8104
jwong-hernandez@counties.org

Elisa Wynne, Staff Director, *Senate Budget & Fiscal Review Committee*
California State Senate, State Capitol Room 5019, Sacramento, CA 95814
Phone: (916) 651-4103
elisa.wynne@sen.ca.gov

Bruce Yonehiro, Chief Counsel, *California Department of Education*
1430 N Street, Sacramento, CA 95814-5901
Phone: (916) 319-0860
BYonehiro@cde.ca.gov

Helmholt Zinser-Watkins, Associate Governmental Program Analyst, *State Controller's Office*
Local Government Programs and Services Division, Bureau of Payments, 3301 C Street, Suite 700,
Sacramento, CA 95816
Phone: (916) 324-7876
HZinser-watkins@sco.ca.gov

Date of Hearing: April 7, 2021

ASSEMBLY COMMITTEE ON EDUCATION

Patrick O'Donnell, Chair

AB 469 (Reyes) – As Amended March 29, 2021

SUBJECT: Pupil instruction: financial aid applications

SUMMARY: Requires local education agencies (LEAs) and charter schools to ensure that students enrolled in 12th grade complete a Free Application for Federal Student Aid (FAFSA) or a California Dream Act application (CADAA). Specifically, **this bill:**

- 1) Requires, commencing with the 2021–22 school year, the governing body of an LEA to confirm that a pupil complies with at least one of the following:
 - a) The pupil completes and submits to the United States Department of Education a FAFSA, or
 - b) If the pupil is exempt from paying nonresident tuition the pupil completes and submits to the California Student Aid Commission (CSAC) a CADAA.
- 2) Authorizes the parent or legal guardian of the pupil, or the pupil if the pupil is a legally emancipated minor or 18 years of age or older, to opt out of the requirements of this section by submitting a written request to the LEA.
- 3) Requires that, if the LEA determines that a pupil is unable to complete a requirement due to extenuating circumstances, the LEA exempt the pupil from completing and submitting a FAFSA or CADAA, or a written request to opt out.
- 4) Requires the governing board or body of the LEA to ensure both of the following:
 - a) The LEA directs each high school pupil and, if applicable, the pupil's parent or legal guardian to any support and assistance services necessary to comply with the requirement that may be available through outreach programs, including, but not limited to, those programs operated by the CSAC, the California Community Colleges, college readiness organizations, and community-based organizations; and
 - b) Information shared by parents, legal guardians, and pupils under this section is handled according to applicable state and federal privacy laws and regulations.
- 5) Authorizes the CSAC to publish model policies, opt-out forms, and acceptable use forms on how to handle and protect all student and parent data to fullest extent possible consistent with federal and state privacy laws and regulations, so that schools remain safe, and all personal data remain safe, regardless of any person's immigration status or other personal information.
- 6) Authorizes the CSAC to draw from protections featured in other states' policies to develop the model policies, opt-out forms, and acceptable use forms.

- 7) Defines “extenuating circumstances” to mean situations or conditions that provide an excuse, including, but not limited to, military plans, religious reasons, or entering the workforce, for not completing a requirement of this section.
- 8) Defines “local educational agency” to mean a school district, county office of education, or charter school.
- 9) Defines “pupil” to mean a pupil in grade 12 attending a high school maintained by an LEA.

EXISTING LAW:

- 1) Requires, commencing with the 2020-21 school year, the governing board of a school district and the governing body of a charter school to:
 - a) Ensure that each pupil receives information on how to properly complete and submit the FAFSA or the CADAA, as appropriate, at least once before the pupil enters grade 12; and
 - b) Handle any information shared by parents, guardians, and pupils under this section according to applicable federal and state privacy laws and regulations.
- 2) Requires that the governing board of a school district and the governing body of a charter school have discretion over how it provides this instruction.
- 3) Specifies that instruction may be provided through in-class instruction, existing programs, family information sessions, or group or individual sessions with school counselors.
- 4) Requires instruction to include the following types of information:
 - a) The types of documentation and personal information required by the FAFSA or CADAA, including, but not limited to, documents relating to income taxes, finances and income, college choices, academic status, and personal identification, such as social security or taxpayer identification numbers;
 - b) An explanation of definitions used for each application, such as “legal guardianship,” “dependent,” or “household size;”
 - c) The eligibility requirements for the FAFSA or CADAA;
 - d) Application timelines and submission deadlines; and
 - e) The importance of submitting applications early, especially when financial aid is awarded on a first-come, first-served basis.
- 5) Requires the governing board of a school district and the governing body of a charter school to ensure that a paper copy of the FAFSA or CADAA is provided to a pupil, if that pupil or the pupil’s parent or guardian requests a copy.
- 6) Prohibits, in federal law, funds from being made available under any applicable program to any educational agency or institution that permits release of a student’s education records, or the personally identifiable information contained therein, other than directory information, without the written consent of their parents (20 U.S.C. § 1232(b)).

- 7) Prohibits school officials and employees of an LEA from collecting information or documents regarding the citizenship or immigration status of pupils or their family members, except as required by state or federal law, or as required to administer a state or federally-supported educational program (Education Code (EC) 234.7).
- 8) Establishes the California DREAM Loan Program and authorizes student eligibility for the program if a student satisfies several requirements, including submission of the CADAA (EC 70031, 70033).
- 9) Requires educational counseling to include academic counseling, in which pupils receive advice on the following (EC 49600):
 - a) Development and implementation, with parental involvement, of the pupil's immediate and long-range educational plans;
 - b) Academic planning for access and success in higher education programs, including advisement on courses needed for admission to public colleges and universities, standardized tests, and financial aid; and
 - c) Career and vocational counseling, in which pupils are assisted in, among other things, understanding the variety of four-year colleges and universities and community college vocational and technical preparation programs, as well as admission criteria and enrollment procedures.
- 10) Requires that information of a personal nature disclosed by a pupil who is 12 years of age or older, or by the parent or guardian of a pupil who is 12 years of age or older, to a school counselor during counseling be deemed confidential, except in specified circumstances, and prohibits such information from being included in a pupil's record without the written consent of the person who disclosed the information (EC 49602).
- 11) Requires a school to include, in its School Accountability Report Card, the availability of qualified personnel to provide counseling and other pupil support services, including the ratio of academic counselors per pupil (EC 33126).

FISCAL EFFECT: This bill has been keyed a possible state mandated local program by the Office of Legislative Counsel.

COMMENTS:

Need for the bill. According to the author, "Despite having a higher than average state poverty rate, California in 2018 ranked 30th in the country for FAFSA completion. A recent analysis by EdSource found that, in the year after the outbreak of COVID-19, FAFSA completion rates in California decreased by 11% and CADAA by 45%. These decreases were most significant among low-income students. AB 469 will require LEA's to ensure high school seniors complete the FAFSA and CADAA before graduating. The intent of this bill is to improve students' access to financial aid resources that require completion of these forms, such as the Community College Promise program. By connecting students to critical financial aid, AB 469 supports the Governor's and Legislature's vision to increase access to higher education."

Effect of the COVID 19 pandemic on FAFSA and CADAA applications. In March, 2020 the COVID-19 pandemic and associated public health orders forced the closure of nearly all schools for in-person instruction. Many schools remained closed for in-person instruction, offering instruction through distance learning, for much of the 2020-21 academic year. The pandemic has caused significant disruptions to students' education, with effects on students' academic progress, social and emotional well-being, and economic security.

Though the application window does not close until June 30, 2021, the available data to date suggest that the pandemic may have a significant effect on FAFSA and CADAA applications. As of February 26, 2021, the U.S. Department of Education reports that 197,855 California high school seniors had completed the FAFSA compared to 219,969 at the same point in 2020, a year-over-year decline of 10%. While the decline has occurred across the board, applications declined at steeper rates for students in schools designated as Title 1, those in town and rural areas, and those enrolling a higher percentage of students of color.

The decline in CADAA applications may be significantly larger. According to the Legislative Analyst's Office (LAO), as of late fall, 2020, CADA applications were down 46% compared to the same time last year.

The decline in FAFSA applications in California mirrors national trends. According to the National College Attainment Network, national data through January 29, 2021 show a decline of about 9.7% in FAFSA completion compared to the same time last year. According to the Public Policy Institute of California, California's decline is similar to the nationwide decline in FAFSA completion but notably larger than declines in other populous states.

Large numbers of high school graduates do not complete the FAFSA and CADAA. According to the CSAC, the graduating classes of 2017 and 2018 averaged a 54% completion rate for the FAFSA and CADAA. The CSAC oversees a statewide annual "Race to Submit" campaign, with the aim of increasing the number of high school seniors who complete the FAFSA and CADAA. As part of the campaign, CSAC provides weekly progress updates on several measures, including FAFSA/CADAA completion and submission rates, disaggregated by high school, school district, and county. The campaign is modeled after the 2017-18 FAFSA and CADAA Completion Initiative in Riverside County, which was associated with an increased completion rate from 52% to 70% for the class of 2017. The following table was provided by the author:

School District	County	Percentage of Low-Income Students	FAFSA Completion Rate
Dos Palos Oro Loma Joint Unified	Merced County	90%	52%
Lennox	Los Angeles County	92%	41%
Coachella Valley Unified	Riverside County	89%	64%
Twin Rivers Unified	Sacramento County	80%	56%
Stockton Unified	San Joaquin County	76%	57%

The author also notes research indicating that one-third of the students who do not file a FAFSA would have also been eligible for a Pell grant and other need-based aid (Clayton, 2015), and that the lowest-income range of students (independent students earning less than \$10,000 and parents of dependents students earning less than \$20,000) is the most significant group that does not complete the FAFSA, aside from high-income students who have the ability to pay (Davidson, 2013).

The Campaign for College Opportunity estimates that \$250 million in Pell Grants went unclaimed in 2014-15. The organization also found that among high schools in which more than 75% of students were eligible for the Free and Reduced Price Meal Program, 24% of eligible students did not complete the FAFSA.

Governor's Proposal. The Governor's Budget for 2021-22 includes a proposal very similar to the one in this bill. The proposed trailer bill language would require a school district, county office of education, and a charter school to, commencing in the 2021-22 school year, confirm that a student who has not opted out of the requirement complete the FAFSA or CADAA. The proposed language allows parents to opt out of the requirement in writing, and requires LEAs to exempt a student if it finds that there are extenuating circumstances. LEAs would also be required to direct parents to support and assistance that may be available through outreach programs operated by the CSAC. LEAs would have to abide by applicable privacy laws and would have complete discretion over how to meet the requirement.

The LAO recommends approval of the Governor's proposal, noting that it can be expected to lead to an increase in financial aid application and utilization rates and leverage additional federal Pell Grant funding to support students with their total cost of attendance. The LAO estimates that the amount of additional federal funds that would be drawn down is uncertain, it could conceivably be in the low hundreds of millions of dollars annually at full implementation, and that CalGrant entitlement spending could potentially be in the tens to low hundreds of millions of dollars annually.

Effect of current law requirement unclear due to COVID-19 pandemic. Current law (AB 2015 of the 2017-18 Session) requires, commencing with the 2020-21 school year, school districts and charter schools to ensure that each pupil receives information on how to properly complete and submit the FAFSA or the CADAA, as appropriate, at least once before the pupil enters grade 12. This law specifies that instruction may be provided through in-class instruction, existing programs, family information sessions, or group or individual sessions with school counselors. As noted above, the COVID-19 pandemic has had a dramatic effect on FAFSA completion rates, overshadowing any effect that this requirement may have had.

Val Verde Unified School District's FAFSA/CADAA graduation requirement yields more financial aid and higher postsecondary attendance. In 2017, Val Verde Unified School District in Riverside County made FAFSA and CADAA completion a graduation requirement. In the first year after this requirement took effect, completion rates rose from 69% to 83%, with no adverse impact on high school graduation rates. The district reports that Cal Grant awards rose from 397 in 2016 to 947 in 2019, and that the percentage of high school graduates who attended college in the first semester after graduation rose from 55% in 2016 to 67% in 2020. The district also reports that out of over 1,500 high school seniors, only 11 opted out of the requirement. According to the author, Rancho Verde High School, a school of Val Verde Unified School District, currently leads the state with one of the highest percentages of FAFSA/CADAA

completion at 92%. The district also notes that the success of the policy in this district was due to a systematic district-wide effort. Perris Union High School District has also made completion of the FAFSA or CADAA a graduation requirement.

Some states make FAFSA completion a graduation requirement; effect on postsecondary attendance is unclear. Louisiana became the first state to make applying for financial aid a requirement for high school graduation. Starting in 2017-2018, the Financial Aid Accessibility Policy required Louisiana students to complete the FAFSA or apply for TOPS (a program of state scholarships) in order to graduate. In 2018, 84% of students completed the FAFSA, an increase of 17% from 2017. According to the Louisiana Department of Education, the high school class of 2018 achieved record-breaking rates of graduation (+3.2% compared to 2017) and college enrollment in the semester immediately following graduation (+6.7% compared to 2017) for the state. While the Financial Aid Accessibility Policy may have contributed to these positive outcomes, it was part of several efforts by the State of Louisiana to improve graduation rate and college enrollment in this period, including aligning high school graduation requirements with admissions eligibility for public universities and expanding opportunities for students to earn postsecondary credits in high school. Because of this, it is difficult to determine how much of the recent successes seen in Louisiana are due to the FAFSA requirement.

Texas and Illinois have also passed laws making FAFSA completion a graduation requirement. However, they take effect in the 2020-2021 (Illinois) and 2021-2022 (Texas) academic years, so any data on the effect of these requirements on high school graduation, college enrollment, or the number of students receiving aid is either not yet available or likely affected by the COVID-19 pandemic.

The LAO notes that research on the impact of FAFSA completion on college enrollment is limited, suggesting that FAFSA completion is associated with (but does not necessarily cause) college enrollment, and states that it is too soon to draw conclusions from states that have implemented similar policies to date.

“Cash for College” workshops help students and parents complete financial aid applications. From October 1st through March 2nd, CSAC funds Cash for College workshops, facilitated by locally-based partner organizations, including high schools, community colleges, universities, and community groups. According to CSAC, the aim of these workshops is to help low-income and first-generation college-goers complete the financial aid application process. CSAC requires that partner organizations ensure parent participation by scheduling workshops primarily between 9 AM and 9 PM during the week, during non-holidays, and between the hours of 9 AM and 5 PM on Saturdays. In addition to funds, CSAC provides workshop facilitators with presentations, outreach materials, and website access to help manage workshops and student follow-up.

California lags in providing pupils access to school counselors. According to the CDE, 29% of California school districts have no counseling programs at all. When counseling programs exist, counselors are often asked to add administrative duties such as testing, supervising, and class scheduling. The ratio of students per counselor in this state averages 945 to 1, compared to the national average of 477 to 1, ranking California last in the nation. Clearly, California lacks sufficient numbers of trained personnel in our schools to meet the social, emotional, and career development needs of over six million pupils. ***The Committee may wish to consider*** whether the

shortage in school counselors would make it difficult for schools to provide adequate advice to students applying for financial aid.

Arguments in support. Californians Together writes, “Nearly a half-million high school seniors did not complete a FAFSA or CADAA in the last 2 years, and an estimated \$550 million in state and federal financial aid has been left on the table every year in California. The COVID-19 pandemic has further disrupted application rates for many high school and college students, preventing them from applying for financial aid for college. According to CSAC’s March meeting, California has seen a decline of about 5.2% and 12.5% in first-time freshman FAFSA and CADAA completion rates, respectively. College affordability is a significant barrier facing low-income students in California as they pursue or consider pursuing a postsecondary education or credential. The fact that well over half of California’s K-12 students are low-income should further motivate the state to have a laser-like focus on swiftly increasing financial aid application rates.”

Related legislation. AB 1617 (Reyes) of the 2019-20 Session would have made completion of the FAFSA or the CADAA a high school graduation requirement, permits parents to opt out of the requirement, and provides an exemption for students who have met all other requirements for graduation. This bill was held in this Committee.

AB 2015 (Reyes), Chapter 533, Statutes of 2018, requires the governing board of a school district or the governing body of a charter school to ensure that students receive information on how to properly complete and submit the FAFSA or the CADAA at least once before pupils enter grade 12.

SB 1210 (Lara), Chapter 754, Statutes of 2014 established the California DREAM Loan Act to provide financial aid to students attending the California State University and the University of California systems.

REGISTERED SUPPORT / OPPOSITION:

Support

The Education Trust - West (sponsor)

10,000 Degrees

99rootz

Abriendo Puertas/Opening Doors

Asian Americans Advancing Justice - California

BLU Educational Foundation

California Association of African American Superintendents and Administrators

Cal Chamber

California Health+ Advocates

California State PTA

California Student Aid Commission

Californians Together

Campaign for College Opportunity

Canal Alliance

Children Now

Children's Defense Fund - California

Community Coalition
 Cope San Bernardino
 Dolores Huerta Foundation
 Ed100
 Equal Justice Society
 Faith in the Valley
 Future Leaders of America
 Go Public Schools
 Greater Sacramento Urban League
 Inner City Struggle
 John Burton Advocates for Youth
 Just Equations
 Kid City Hope Place
 Latino and Latina Roundtable of the San Gabriel and Pomona Valley
 Law Foundation of Silicon Valley
 Linked Learning Alliance
 Los Angeles Chamber of Commerce
 Mi Familia Vota
 Mission Graduates
 Northern California College Promise Coalition
 Oakland Promise
 Parent Organization Network
 Partnership for Los Angeles Schools
 Reach Higher Riverside
 Reinvent Stockton Foundation
 San Francisco Chamber of Commerce
 Southern California College Access Network
 Student Senate for California Community Colleges
 The Council of Mexican Federations
 The Desertsong Group
 The Institute for College Access and Success
 uAspire
 UC Chicanx Latinx Alumni Association of UC Davis
 Umoja Community Education Foundation
 United Way of Greater Los Angeles
 University of California Student Association
 Watts/Century Latino Organization
 Young Invincibles
 Youth Alive!

Opposition

None on file

Analysis Prepared by: Tanya Lieberman / ED. / (916) 319-2087

CONCURRENCE IN SENATE AMENDMENTS

AB 469 (Reyes, et al.)

As Amended September 3, 2021

Majority vote

SUMMARY

Requires, on or before September 1, 2022, and each year thereafter, the California Student Aid Commission (CSAC) and the California Department of Education (CDE) to facilitate the completion of the Free Application for Student Aid (FAFSA) and the California Dream Act Application (CDAA), through the sharing of specified data.

Senate Amendments

- 1) Delete the requirements of the bill as it passed the Assembly, which required LEAs and charter schools to confirm that students enrolled in the 12th grade complete a FAFSA or a CDAA. These provisions were largely included in the higher education trailer bill to the 2021-22 budget AB 132 (Budget Committee), Chapter 144, Statutes of 2021.
- 2) Require that, on or before September 1, 2022, and each year thereafter, the CSAC and the CDE facilitate the completion of the FAFSA and CDAA in the following manner:
 - a) The CDE would share the current school year's roster of pupils with the CSAC; and
 - b) The CSAC would match this roster with pupils' application status based on the FAFSA and CDAA data possessed by the CSAC.
- 3) Define an "outreach program," for purposes of the requirement that LEAs provide assistance to families in the completion of the FAFSA and CDAA, to mean a nonprofit entity that is exempt from taxation under federal law or a public entity with experience in either or both of the following:
 - a) Assisting pupils with financial aid application completion; and
 - b) Serving pupils who are eligible to submit a CDAA.

State the intent of the Legislature that upon the implementation of the California Cradle-to-Career Data System, future data matching be linked through, and conducted in accordance with, the privacy requirements of that system, to avoid a duplicative data matching requirement and to ensure data privacy.

COMMENTS

Trailer bill to 2021-22 Budget enacts FAFSA and CDAA completion requirement. As this bill passed the Assembly it required LEAs to ensure students in 12th grade complete and submit a FAFSA or CDAA unless a student or a student's parent or guardian opted out. These and additional requirements were included in AB 132 (Budget Committee) of 2021, which was enacted as an urgency measure.

Large numbers of high school graduates do not complete the FAFSA and CDAA. According to the CSAC, the graduating classes of 2017 and 2018 averaged a 54% completion rate for the

FAFSA and CDAA. The CSAC oversees a statewide annual "Race to Submit" campaign, with the aim of increasing the number of high school seniors who complete the FAFSA and CDAA. As part of the campaign, CSAC provides weekly progress updates on several measures, including FAFSA/CDAA completion and submission rates, disaggregated by high school, school district, and county. The campaign is modeled after the 2017-18 FAFSA and CDAA Completion Initiative in Riverside County, which was associated with an increased completion rate from 52% to 70% for the class of 2017.

Effect of the COVID 19 pandemic on FAFSA and CDAA applications. In March, 2020 the COVID-19 pandemic and associated public health orders forced the closure of nearly all schools for in-person instruction, causing significant disruptions to students' education. The pandemic may have had a significant effect on FAFSA and CDAA applications. The U.S. Department of Education reported that as of February, 2021, FAFSA applications from California high school seniors had declined by 10%. While the decline has occurred across the board, applications declined at steeper rates for students in schools designated as Title 1, those in town and rural areas, and those enrolling a higher percentage of students of color. The decline in CDAA applications may be significantly larger. According to the Legislative Analyst's Office (LAO), as of late fall, 2020, CADA applications were down 46% compared to the same time last year. The decline in FAFSA applications in California mirrors national trends.

According to the Author

"Despite having a higher than average state poverty rate, California in 2018 ranked 30th in the country for FAFSA completion. A recent analysis by EdSource found that, in the year after the outbreak of COVID-19, FAFSA completion rates in California decreased by 11% and CDAA by 45%. These decreases were most significant among low-income students. AB 469 will require LEA's to ensure high school seniors complete the FAFSA and CDAA before graduating. The intent of this bill is to improve students' access to financial aid resources that require completion of these forms, such as the Community College Promise program. By connecting students to critical financial aid, AB 469 supports the Governor's and Legislature's vision to increase access to higher education."

Arguments in Support

Californians Together writes, "Nearly a half-million high school seniors did not complete a FAFSA or CDAA in the last 2 years, and an estimated \$550 million in state and federal financial aid has been left on the table every year in California. The COVID-19 pandemic has further disrupted application rates for many high school and college students, preventing them from applying for financial aid for college. According to CSAC's March meeting, California has seen a decline of about 5.2% and 12.5% in first-time freshman FAFSA and CDAA completion rates, respectively. College affordability is a significant barrier facing low-income students in California as they pursue or consider pursuing a postsecondary education or credential. The fact that well over half of California's K-12 students are low-income should further motivate the state to have a laser-like focus on swiftly increasing financial aid application rates."

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Senate Appropriations Committee, the provisions of this bill are nearly identical of the related sections in the higher education trailer bill (AB 132 (Budget Committee) of 2021). The fiscal impacts associated with those sections include:

- 1) A reimbursable state mandate in the hundreds of thousands of dollars each year for school districts to ensure that students complete and submit the FAFSA or California Dream Act application. This estimate assumes that up to ten percent of high school teachers in the state would spend at least one hour of staff time on these activities.
- 2) Additional state General Fund costs in the millions to tens of millions of dollars and federal fund costs potentially in the low hundreds of millions of dollars costs annually for additional students becoming eligible for financial aid by completing a FAFSA. Precise amounts would depend on how many students are identified as eligible for financial aid and which college they attend. The California Student Aid Commission (CSAC) estimates \$18.3 million for every five percent increase in the number of FAFSAs and CDAAAs submitted.

VOTES:

ASM EDUCATION: 7-0-0

YES: O'Donnell, Kiley, Bennett, Megan Dahle, Lee, McCarty, Quirk-Silva

ASM APPROPRIATIONS: 12-0-4

YES: Lorena Gonzalez, Calderon, Carrillo, Chau, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas

ABS, ABST OR NV: Bigelow, Megan Dahle, Davies, Fong

ASSEMBLY FLOOR: 77-0-2

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

ABS, ABST OR NV: Bigelow, Seyarto

UPDATED

VERSION: September 3, 2021

CONSULTANT: Tanya Lieberman / ED. / (916) 319-2087

FN: 0001952

California Dream Act FAQ's for Students and Parents



Background and Eligibility

Q1. What is the California Dream Act?

The California Dream Act allows undocumented students, Deferred Action for Childhood Arrivals (DACA) recipients (valid or expired), U Visa holders and students under Temporary Protected Status (TPS), who qualify for a *non-resident exemption* under Assembly Bill 540 (AB 540), Senate Bill 2000 (SB 2000) and Senate Bill 68 (SB 68), to receive certain types of financial aid such as: private scholarships funded through public universities, state administered financial aid, university grants, community college fee waivers, and Cal Grants.

In addition, the California Dream Act, allows eligible students to pay in-state tuition at any public college in California.

Q2. Who can apply for the California Dream Act?

Students who live in California and meet the eligibility requirements for a *non-resident exemption*, as well as students who have a U Visa or TPS status, can use the California Dream Act application (CADAA). Similarly, students without Social Security Numbers or students who have lost DACA status (or never applied for DACA), may still be eligible.

The full language of the law and eligibility requirements is stated in CA Education Code 68130.5.

Q3. What is the difference between the FAFSA and the California Dream Act application?

Students should only complete one of the applications (not both), according to the citizenship requirements below:

1. You are eligible to complete the FAFSA at <https://studentaid.gov/h/apply-for-aid/fafsa> if you are a:
 - U.S Citizen
 - Permanent Resident
 - Eligible non-citizen
 - T Visa holder
2. You are eligible to complete the CADAA at <https://dream.csac.ca.gov> if you are:
 - Undocumented
 - Have a valid or expired DACA
 - U Visa holders
 - Have Temporary Protected Status (TPS)

- Meet the *non-resident exemption* requirements under AB 540, SB 2000, SB 68

Note: If you have further questions, including how to ensure you are completing the correct financial aid application, you can visit the *Immigrants Rising* website and review the document titled, “FAFSA VS CA Dream Act: Apply to the Correct Financial Aid,” at <https://immigrantsrising.org/resource/fafsa-vs-ca-dream-act-apply-to-the-correct-financial-aid-in-ca/>

Q4. What are the *non-resident exemption* requirements?

Students must meet all four (4) requirements to be eligible:

1. Time and coursework requirements

- High school attendance in California for three or more years, **OR**
- Attainment of credits earned in California from a California high school equivalent to three or more years of full-time high school coursework and a total of three or more years of attendance in California elementary schools, California secondary schools, or a combination of those schools. **OR**
- Attainment of credits earned at a California adult school, **OR**
- Credits earned at a California Community College, **OR**
- A combination of the schools listed above

2. Degree or unit requirements (completion of either of the following):

- Graduation from a California high school or the equivalent (GED, HiSET, CHSPE, TASC)
- Attainment of an Associate degree from a California Community College
- Fulfillment of the minimum transfer requirements from a California Community College to a UC or CSU campus

3. Register or enroll in an accredited and qualifying California college or university

For a list of Cal Grant eligible schools, please visit:

<https://www.csac.ca.gov/post/cal-grant-eligible-school-list-0>

4. Submit a signed “Non-Resident Exemption” Request

Some schools will refer to this document as an “AB 540 affidavit.” This form states that you meet all the requirements to qualify for a non-resident exemption and, if you are undocumented, that you are in the process of legalizing your immigration status (or will do so as soon as you are eligible).

Please contact the Residency Deputy or the Admissions and Records office at your college for information on how to complete your non-resident exemption form and to determine if supporting documentation is needed. You should complete this form upon accepting an offer to attend a college in California and at least one semester or quarter before you are scheduled to start classes.

Q5. What should I do if I've already submitted a FAFSA before learning that I should have submitted a CADAA?

You must first complete the CADAA and then complete the “*Application Conversion Form G-55*” which can be obtained at: www.csac.ca.gov/post/application-conversion-form Please make a copy of this form for your records, send the original form (along with documentation to prove your identification) to the Commission and contact the financial aid office at the college you plan to attend to inform them of this error.

Q6. Can I fill out the CADAA if I don't have a Social Security Number?

Yes. Students are not required to have a Social Security Number to submit the CADAA. However, students will need to meet the *non-resident exemption* requirements under AB 540/ SB 2000/ SB 68 to receive state aid.

Q7. What is a “U” or “T” Visa?

The “U” Visa provides eligible crime victims with legal status to temporarily remain in the U.S. while assisting law enforcement. The “T” Visa is set aside for those who are or have been victims of human trafficking and allows victims to remain in the United States to assist in an investigation or prosecution of human trafficking. AB 1899 allows “T” and “U” Visa holders to be eligible to apply for, and participate in, all student financial aid programs and scholarships administered by a public postsecondary educational institution or the State of California.

U Visa holders should file the CADAA, T Visa holders should file the FAFSA.

Q8. Are “temporary” non-immigrant visa holders eligible to complete the CADAA?

No, students who hold a temporary nonimmigrant visa are not eligible to complete the CADAA. The exception is the U Visa. For a list of “temporary” non-immigrant visas, please visit www.uscis.gov/working-united-states/temporary-nonimmigrant-workers

Q9. I have a Social Security card, but it says, “VALID FOR WORK ONLY WITH DHS AUTHORIZATION.” Can I file the FAFSA?

A Social Security card with this designation is issued to people lawfully admitted to the United States on a temporary basis who have Department of Homeland Security (DHS) authorization to work. If you meet the *non-resident exemption* requirements detailed in previous questions, you may file the CADAA.

Q10. As an undocumented student, am I eligible for federal student aid?

No, undocumented students are not eligible for federal student aid. If you attend an eligible California public or private institution, you will be considered for California state financial aid. Your college or university will determine your financial aid eligibility. Submit your CADAA by March 2 to maximize your financial aid options.

How to apply for the CADAA

Q11. How do I apply for financial aid under the California Dream Act?

The application can be found at <https://dream.csac.ca.gov>. The California Student Aid Commission (CSAC) processes the application and any aid received can only be used at eligible California public or private institutions. For a list of eligible schools, please visit <https://www.csac.ca.gov/post/cal-grant-eligible-school-list-0>

U.S. citizens and eligible non-citizens such as permanent residents should complete the FAFSA at <https://studentaid.gov/h/apply-for-aid/fafsa>. FAFSA applicants may be eligible for federal and state aid.

To maximize your chances for a Cal Grant award, a completed financial aid application and a certified Grade Point Average (GPA) must be submitted by the March 2 deadline.

Q12. When will the CADAA be available?

The online and paper application is usually available October 1st. However, the 2024-25 CADAA has been delayed to December 2023. For faster processing time, CSAC recommends completing your application online.

Q13. Where can I get help with completing my CADAA?

You can visit the financial aid office (FAO) at your college or speak with your high school counselor/advisor, or you can attend one of the many Cash for College workshops held every year throughout the state. These workshops are FREE, are often staffed by financial aid experts and students can receive one-on-one help with completing their financial aid applications, including the Chafee Grant (for current or former foster youth). To locate your nearest Cash for College workshop, please visit www.cash4college.csac.ca.gov

Q14. Does my parent's citizenship status affect my eligibility for financial aid under the California Dream Act?

No, your parents' citizenship status does not impact your eligibility to receive financial aid. The CADAA and FAFSA do not contain any questions asking for this information and your parent's immigration status isn't considered in any financial aid decisions.

Q15. Am I required to register for Selective Service?

Effective with the 2021-22 academic year, registration with the Selective Service System (SSS) for males 18-25 years of age is no longer required to receive state financial aid in California. Although registration is not required to receive state financial aid in California, failure to register may impact future opportunities and/or benefits. Check with the U.S. Selective Service System for more information at <https://www.sss.gov/register/benefits-and-penalties/>.

You do not need to have a Social Security Number (SSN) to register for Selective Service. If you do not have an SSN, or have been issued an SSN through the Deferred Action for Childhood Arrivals (DACA) program, you can register for Selective Service by completing a paper “*Selective Service Registration*” form, which can be picked up at any U.S. Post Office or can be downloaded for print here: <https://www.sss.gov/forms/>. The SSS does not share your immigration status.

Q16. Do I have to wait until my parents or I file taxes to complete my CADAA?

No. The CADAA is now using prior-prior-year tax information. If you or your parents were not required to file taxes during that year, simply select “Will not file” on the tax filing question in the application.

Example of Prior-Prior Tax year:

If you will be attending college during:	You should complete the CADAA beginning on:	You will be using income from:
July 1, 2023 – June 30, 2024	October 1, 2022	2021
July 1, 2024 – June 30, 2025	December, 2023	2022

Application Deadline and Parent Signature Information

Q17. When is the deadline to submit the CADAA?

All students are encouraged to apply by the March 2 priority deadline to maximize their financial aid options. Students attending a CA Community College can apply by September 2.

Q18. Should I fill out the CADAA if I missed the March 2 priority deadline?

Yes, students should still submit their application; this is especially true for students attending a CA Community College, which can be considered for a Community College Cal Grant Entitlement Award if they apply by September 2. Students may also be considered for other aid such as the California College Promise Grant (formerly known as the BOG fee waiver) at community colleges and institutional grants at some CSU and UC campuses. Students who apply after the March 2 deadline will not be considered for the Middle Class Scholarship and only a limited number of Cal Grant awards are available, therefore students should submit their CADAA by March 2 in future years. CSAC has junior and senior financial aid checklists to help you plan and meet important deadlines. To view the financial aid checklists, please visit: www.csac.ca.gov/pod/financial-aid-checklist.

Q19. How does my parent sign my CA Dream Act application?

Parents will sign your CADAA using a self-selected PIN. The PIN is a 4-digit number that can be used each year to “electronically” sign the CADAA. Parents can apply for a California Dream Act PIN only after you (the student), has completed your online application. To apply for a PIN and to sign the CADAA, parents will navigate to the link that says, “Submit Parent Signature.” Keep this PIN in a safe place – your parent will need it to re-sign each time you make a correction to your application.

Q20. What if my parents live in another country and I do not live with them?

Students who are under the age of 24 as of December 31 of the award year and do not meet any other very limited criteria, are considered “Dependent” for financial aid purposes and therefore, must provide parental information. One parent must sign your application, even if you do not live with your legal parents (your biological and/or adoptive parents). Widowed stepparents, aunts, uncles, grandparents, foster parents, siblings or legal guardians are not considered your parent(s) for financial aid purposes, unless they have legally adopted you.

If you are unable to get your parent information, complete the application as much as you can and contact your college’s financial aid office (FAO) as soon as possible. The FAO will evaluate your situation and inform you if they can override the need for parent information. CSAC does not have the authority to override dependency or financial information.

Note: For a complete list of “Dependency” questions, to help you determine whether you are dependent or independent for financial aid purposes, please visit: <https://studentaid.gov/apply-for-aid/fafsa/filling-out/dependency>

For help with determining which parent(s) should be included on your CADAA application, please visit: <https://studentaid.gov/sites/default/files/fafsa-parent.pdf>

After Submitting Your Application

Q21. How do I fix mistakes on my CADAA?

After you submit your application, review the Confirmation Page to identify and fix any errors that need correction. After the initial successful submission of your application, CSAC will send you an email with your nine-digit Dream ID number. If you haven’t received an email from us, be sure to check your spam/junk folders. Keep this number in a safe place; you will use your Dream ID number to create a *WebGrants 4 Students* account, when you talk to your college, or CSAC.

Q22. I applied for financial aid using the CADAA. What’s next?

After completing the CADAA, CSAC will send your application data to all the colleges listed on your application.

Qualifying for a Cal Grant is not automatic, it is a need-based program. You must meet financial income and asset eligibility, and GPA requirements. After receiving your CADAA and GPA, CSAC will process your application to determine if you are eligible to receive a Cal Grant. After completion of your CADAA, you must create a *WebGrants 4 Students* account at <https://mygrantinfo.csac.ca.gov/> in order to check the status of your Cal Grant eligibility.

Additional information on how to apply for a Cal Grant can be found at www.csac.ca.gov/how-apply

Q23. How do I submit my Cal Grant GPA?

If you are a current high school senior or graduated last year, your high school should submit a Cal Grant GPA to CSAC. Community College GPAs are submitted to CSAC if you have completed at least 16 units. Four-year college GPAs are submitted to CSAC if you have completed at least 24 units. GPAs should be submitted on or before March 2; students attending a CA Community College can submit a GPA by September 2.

To check on the status of your GPA, please check your *WebGrants 4 Students* account or speak with your high school counselor (if you are a current high school senior or graduated last year) or contact your financial aid office at your college (if you are a college student).

If your GPA has not been submitted, you can download the paper *Cal Grant GPA Verification Form (G-4)* and complete questions 1-9. Take this form to the guidance counseling office/registrar at your high school/college. Your school will verify your GPA and sign the form. You must mail this completed form to CSAC on or before the March 2 deadline and for CA Community College students, by Septe. To download the paper *GPA Verification Form*, please go to: www.csac.ca.gov/post/cal-grant-gpa-verification-form

Note: If your school is uploading your GPA electronically, please do not send the paper *GPA Verification Form*.

Q24. I am a foster youth and I don't have a Social Security Number or any paperwork about my biological parents. Can I get any financial aid for college?

If you meet the *non-resident exemption* requirements, you may file the CADAA. Furthermore, eligible foster youth students may qualify for other types of aid such as:

- Chafee Grant
- Cal Grant
- Scholarships offered through California public colleges and universities
- California College Promise Grant (formerly BOG fee waiver)
- Private grants and scholarships

Q25. I was notified that I was awarded a Cal Grant! How do I receive the money?

You must set up a *WebGrants 4 Students* account to manage your Cal Grant. This account allows you to make school changes or address changes, and to find out if there are additional actions that must be taken before your school can disburse your first payment. To create your account, go to <https://mygrantinfo.csac.ca.gov/>

Upon logging on to your *WebGrants 4 Students* account, verify that the college that is displayed, is in fact the college you are attending. If it is not, you can submit a school change via your *WebGrants 4 Students* account. Your college will be responsible for disbursing all Cal Grant payments. Check your school's student portal, the financial aid office, or your school's financial aid website to see a schedule of the Cal Grant disbursement dates. If that date has come and gone without you receiving a disbursement, check with your college immediately to see if your financial aid file is incomplete.

Q26. How do I renew my Cal Grant?

Submit your CADAA every year to renew your award. You will use the same login information (User ID/Password) from the previous year to enter your CADAA. To re-submit your application, go to <https://dream.csac.ca.gov> and choose the "Login" option. You will need to provide your login information and select the appropriate academic year application. Refer to **Question #16** of this document, should you need help determining which application year to complete.

Students will receive their Cal Grant renewal notification in late spring, so you should re-submit your CADAA before then. If you were not awarded the Cal Grant, you should re-apply every year by submitting your CADAA and a new GPA before the March 2nd deadline. Refer to **Question #23** of this document for details on how to submit your GPA. If you have never submitted a CADAA, go to <https://dream.csac.ca.gov> and click on the "Start" button.

Q27. What is the Dream Loan?

Senate Bill 1210 establishes the California DREAM Loan Program for purposes of extending loans to students who meet the *non-resident exemption* requirements established by AB 540 and have demonstrated financial need. The DREAM Loan authorizes any campus of the University of California or the California State University to participate. California community colleges are not authorized to participate. Funds are limited - students should submit their CADAA as early as possible and soon after the CADAA is released on October 1st each year (December 2023 for the 2024-45 academic year). Eligible students should contact their college/university for more information.

Q28. What is the Dream Act Service Incentive Grant (DSIG) ?

California Dream Act filers who have been awarded a Cal Grant B, may be eligible for an increase to their Cal Grant B Access award by performing community or volunteer service hours. CSAC will award up to \$4,500 per academic year (up to \$2,250 per semester or up to \$1,500 per quarter) to 1,667 eligible students. The grant will be available to the student for up to 8 semesters or up to 12 quarters while they have an active Cal Grant A or B award. Students must reapply every year, attend a Cal Grant eligible school, have sufficient unmet financial need, and complete community or volunteer service hours. Students shall perform at least 150 hours per semester or 100 hours per quarter of community or volunteer service with an approved service organization. For more information, visit <https://www.csac.ca.gov/california-dream-act-service-incentive-grant-program>

Q29. Is it safe for me to apply for the CADAA?

CSAC released a joint statement with the California Department of Education stating,

"The information provided via the California Dream Act Application is used solely to determine eligibility for state financial aid and isn't shared with the federal government or used for immigration enforcement purposes. The CSAC will protect this information to the fullest extent of the law."

To read the full statement, visit <https://www.csac.ca.gov/post/joint-message-california-department-education-and-california-student-aid-commission>

Talk to your institution's financial aid office for more information.

Learn more about the California Dream Act

<https://dream.csac.ca.gov>

Free Application for Federal Student Aid (FAFSA®)

The Free Application for Federal Student Aid (FAFSA) is a form that allows students to apply for all types of financial aid, including but not limited to federal financial aid, state financial aid, and institutional aid. The FAFSA is one of the most important forms to fill out in regard to a college education and should be completed every academic year. The information supplied is used to assess a student's financial need and gives them access to multiple sources of financial aid to help pay to attend a college, university, or vocational school.

The following are some the most **frequently asked questions** about the FAFSA:



1. Who can apply for the FAFSA?
2. What are the deadlines for filling out the FAFSA form?
3. What will students need to fill out the FAFSA
4. Where can students determine if they are eligible to receive financial aid?
5. Who is considered a parent?
6. Can a parent and student share the same FSA ID?
7. What if the student forgets their FSA ID username and password?
8. Will a student need their parents' information?
9. How do students correct or update their FAFSA Form?
10. Why are 2021 tax and income information required on the 2023–24 FAFSA form?
11. How can students check the status of their FAFSA form?
12. When can students expect to hear from colleges about their financial aid package?

1. Who can apply for the FAFSA?

Students are eligible to apply for the FAFSA if they meet the following criteria:

- U.S. Citizen
- Legal Permanent Resident (Green Card)
- Certain Designations including Refugees or those granted Asylum
- T-Visa Holders

2. What are the deadlines for filling out the FAFSA form?

To be considered for federal student aid for the 2023–24 award year, students can complete a FAFSA® form between Oct. 1, 2022, and 11:59 p.m. Central time (CT) on June 30, 2024. Any FAFSA corrections or updates must be submitted by 11:59 p.m. CT on Sept. 14, 2024. For state financial aid the priority deadline is March 2nd.

3. What will students need to fill out the FAFSA

- A social security number or Alien Registration Number if they are not a U.S. citizen
- Federal income tax returns, W-2s, and other records of money earned. (May be able to transfer your federal tax return using the IRS Data Retrieval Tool)
- Bank statements and investment records (if applicable)
- Records of untaxed income (if applicable)
- An FSA ID for electronic signature

A dependent student will need most of the above information from their parents.

Students attending a CA Community College can apply by September 2nd.



Free Application for Federal Student Aid (FAFSA®)

4. Where can students determine if they are eligible to receive financial aid?

Students can find more information [here](#) on federal student aid eligibility.

5. Who is considered a parent?

A legal parent includes a biological or adoptive parent, or a person that the state has determined to be a student's parent (for example, when a state allows another person's name to be listed as a parent on a birth certificate). Grandparents, foster parents, older brothers or sisters, widowed stepparents, and aunts and uncles are not considered parents unless they have legally adopted the student.

6. Can a parent and student share the same FSA ID?

No. Parents and students can not share the same FSA ID (account username and password). Each should use their own FSA ID because it is part of identification and serves as an electronic signature.

7. What if the student forgets their FSA ID username and password?

If students have an FSA ID but do not remember their username, select [Forgot Username](#). If they have an FSA ID but do not remember their password, select [Forgot Password](#).

8. Will a student need their parents' information?

Most students under the age of 24 are dependent and must report parent information. If students answer "Yes" to any of the questions in the dependency status questions, they are considered an independent student on the 2023–24 FAFSA® form, and generally will not need to provide their parents' information.

9. How do students correct or update their FAFSA Form?

Most questions on the FAFSA form want to

know a student's status as of the day the application is signed. However, there are some instances in which students want to (or are required to) change the information reported. Find more information [here](#).

10. Why are 2021 tax and income information required on the 2023–24 FAFSA form?

The Free Application for Federal Student Aid (FAFSA) form always requires the prior two years (or prior-prior) tax information.

11. How can students check the status of their FAFSA form?

To check the status of a Free Application for Federal Student Aid (FAFSA) form, select "Log In" on the online FAFSA home page to log in. Application status can be found on the "My FAFSA" page, which displays after the student logs in and the FAFSA has been started or completed.

12. When can students expect to hear from colleges about their financial aid package?

Students will get a student aid offer after completing the college's application requirements and after the college determines their eligibility. This offer will detail the costs of attending the college for an academic year, as well as any grants, scholarships, work-study funds, or loans they are eligible to receive.

Most colleges send out student aid offers around the same time as admission offer letters. However, the timing varies for each college. Factors (e.g., the date the FAFSA form was submitted and the number of FAFSA forms the college received) can influence when students will get an offer. The college can tell them when they will receive their student aid offer.





SPECIAL ALERT

STATE OF
CALIFORNIA



Update from the California Student Aid Commission

May 20, 2022

GSA 2022-33

TO: High School Counselors
County and District Superintendents

FROM: Tae Kang *Tae Kang*
Deputy Director, Program Administration & Services Division

SUBJECT: **AB 469 FAFSA/CADAA Completion Requirement and Opt-Out Form**

This Special Alert from the California Student Aid Commission (Commission) notifies school districts, county offices of education, and California charter schools of the new AB 469 requirement per [California Education Code Section 51225.7](#). Local Educational Agencies (LEAs) are required to confirm that high school seniors complete a Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA). Students may alternatively complete an opt-out form, which shall be collected and retained by the high school. These requirements apply beginning with the 2022-23 school year for the 2023-2024 FAFSA/CADAA application cycle that starts on October 1, 2022.

The Commission initiated the rulemaking process to establish a model opt-out form and to establish a model acceptable use policy for data collected by the LEAs in compliance with California Education Code Section 51225.7. The Commission's proposed regulations received final approval from the Office of Administrative Law on May 10, 2022. [Approved regulations and model opt-out form are accessible on the Commission's website.](#)

Purpose and Applicability

- A model opt-out form for LEAs to document their high school seniors who elect not to submit or are determined to be exempt from submitting the FAFSA or CADAA in accordance with California Education Code Section 51225.7 (c) and (d).
- A model acceptable use policy for the secure handling of parent, guardian and student personal information gathered by the LEAs pursuant to California Education Code Section 51225.7 (e)(2).
- The CSAC Regulations provide a model opt-out form for LEA use. The regulations do not require that schools or LEAs use the CSAC provided model opt-out form. However, LEAs are encouraged to seek guidance from their counsel regarding the statutory requirement relating to use of the model opt-out form.
- Completion of FAFSA or CADAA, or an opt-out form, is not a high school graduation requirement.

Thank you for your continued support in ensuring that all California students receive consideration for financial aid opportunities to help them attain their educational goals.

Need to contact us?

- Institutional Support phone number: (888) 294-0153
- E-mail: schoolsupport@csac.ca.gov

Working together to effectively promote education beyond high school!

YOUR MONEY ADVISER

More States Require High School Seniors to Fill Out Financial Aid Form

Evidence suggests that students who file the federal form are more likely to attend college.



By Ann Carrns

Oct. 14, 2022

Sign Up for the Education Briefing From preschool to grad school, get the latest U.S. education news. [Get it sent to your inbox.](#)

A growing number of states are pushing high school seniors to file the federal financial aid form because evidence suggests that students who complete the form are more likely to attend college.

Five states — Alabama, California, Illinois, Louisiana and Texas — now require high school seniors to complete the Free Application for Federal Student Aid, known as FAFSA, according to the National College Attainment Network. New Hampshire will join the crowd in the 2023-24 school year, and at least a half dozen other states are considering similar policies. Other states, including Colorado, have taken interim steps to encourage schools to promote the form.

FAFSA completion rates nationally are rising again after dropping during the pandemic but still haven't returned to pre-2020 levels, said Bill DeBaun, senior director of data and strategic initiatives with the attainment network. About half of high school seniors completed one for the 2021-22 academic year.

A quick review: The FAFSA, administered by the Education Department, collects details about student and family finances and serves as a gateway to grants, scholarships and loans for higher education. Students and their parents file the form when applying to college and resubmit it each year. The latest version, for aid to be awarded for the 2023-24 academic year, became available online on Oct. 1 and uses financial information from 2021.

States have seen significant jumps in the share of students completing the form after adopting mandates, according to the attainment network. Texas, for instance, went to a FAFSA completion rate of nearly 63 percent, from about 50 percent, when it adopted the new policy for the 2021-22 school year, the network reported. The state climbed from the middle of the pack for FAFSA completion to a No. 5 ranking.

While the new policies are often referred to as “mandatory FAFSA,” some advocates for students prefer the term “universal” because students can opt out of the requirement by signing a waiver.

But even if students can opt out, such policies help to create a “norm” that seniors are expected to submit a FAFSA, said Perry Wright, senior behavioral researcher at Duke University's Common Cents Lab, which studies financial decision-making. “By making it the default,” he said, “it's going to capture a bunch of people it hasn't captured before.”

Mandatory FAFSA policies, however, place added demands on school college counselors, who are typically stretched thin. Sara Urquidez, executive director of the Academic Success Program, a nonprofit group that provides in-school college counselors to 27 public and charter schools in Texas, said awareness of the need to file a FAFSA had increased. Yet students who could benefit the most are often the hardest to reach, she said, and need more one-on-one counseling to build trust.

Some schools worry that if they don't increase their FAFSA completion rates, they may be penalized. “It's a double-edged sword,” Ms. Urquidez said.

Because the policies are new and have been adopted in just a few states, it's too soon to say if they will ultimately increase not just FAFSA completions but also college enrollment, Mr. DeBaun said. Some early evidence is encouraging. Reports on Louisiana's experience estimate that requiring the FAFSA can increase college enrollment rates by one to three percentage points, he said.

Here are some questions and answers about the FAFSA:

When should I file the FAFSA?

As soon as possible, said Karen McCarthy, vice president of public policy and federal relations at the National Association of Student Financial Aid Administrators. States, colleges and scholarship programs also use the FAFSA to award aid and many have early deadlines. You can file the FAFSA for the next academic year until June 30, 2024, but you'll probably miss out on aid if you wait.

The form is undergoing an overhaul aimed at making it simpler to complete. Congress approved changes like reducing the number of questions and tweaking the formula used to determine who gets aid, but most updates won't take effect until the 2024-25 academic year.

Are there new questions on the latest FAFSA?

The law updating the FAFSA requires that the form ask about an applicant's race or ethnicity and gender, according to a Federal Register notice. The Education Department is including questions on this year's form as a "pilot" and will use the feedback to write the questions on the 2024-25 form.

The demographic data will be used in "research and analysis of federal student aid applicants and recipients," the department said in online notices. It isn't used to determine an applicant's eligibility for financial aid. Filers who want to skip the questions this year can select "decline to answer."

Does the government offer a mobile app for filling out the FAFSA?

The Education Department retired its myStudentAid app in June, citing "low use." But students and families can still fill out the form on phones and tablets, as well as on laptops and desktop computers; the website's pages "fit the screen size and shape of any device," the department says.

A version of this article appears in print on , Section B, Page 6 of the New York edition with the headline: A Mandatory FAFSA Assignment

FINANCIAL AID IN CALIFORNIA

Ensuring Funding for
College Opportunity



The Campaign for
**College
Opportunity**

April 2020

Applying for Financial Aid

In order to receive any of the financial aid that has been described so far, a student must submit an application with information about their household and resources. Most students submit a FAFSA while the California Dream Act Application (CADAA) has been established for those who are ineligible for federal aid. Unfortunately, the application itself poses a significant barrier to many families, particularly those in which no one has previously attended college or might be unfamiliar with the process of seeking financial aid. Such an application form can be daunting, asking students and families a range of specific questions about their household, finances, and taxes paid. **As a result, while more than 250,000 California high school students had completed applications for aid by the close of the 2019 filing window, over 46% of students did not and potentially missed their opportunity for federal, state, and institutional aid.**¹⁰ While a portion of these students may not intend to pursue higher education, many may have not understood that grant aid was available to them. The Education Trust—West has estimated that school districts' failure to ensure all their students apply for aid meant that as much as \$550 million in federal and state aid was left untapped by eligible California students; other states have begun to embed the financial aid application process into the senior year of high school, including Louisiana, which now ranks first in the nation for the highest proportion of its students completing a FAFSA.¹¹ California will immediately see more students access federal financial aid by better addressing how and when students apply.



Gaps that Remain: Community College Students, Returning Adults, Incarcerated Students, Immigrant/Undocumented Students, and Non-Tuition Costs

There are still significant gaps in California's aid program when looking at both who receives financial aid and how far financial aid goes for current recipients.

The distinction between Entitlement awards and Competitive awards creates issues in accessing the Cal Grant program and making financial aid predictable for students and families. Any student applying for aid after graduating high school more than a year ago is placed into the Competitive Cal Grant pool, as well as students transferring after age 28. As a result, **in the past years fewer than one in twelve eligible applicants received a Competitive Cal Grant award,** despite having financial need.¹²

These eligibility barriers are most problematic for adult learners, as well as students at the community colleges, many of whom enroll sometime after high school. In 2018-19, the average age for a "denied eligible" Cal Grant applicant at the community colleges was 30.¹³

Unfortunately, very few students will complete their community college program in a reasonable time frame. **Only four percent of community college students in California successfully transfer within two years of enrollment.**¹⁴ Those who do manage to transfer face greater total costs for their Bachelor's degree compared to freshman admits—more than \$35,000 extra on average—due to the additional time they are enrolled at the community colleges.¹⁵ Despite community colleges serving more than 60% of California students and community college students facing these cost premiums for a four-year degree, these students receive less than 10% of state financial aid.¹⁶

The FAFSA Simplification Act

Updated August 4, 2022

Congressional Research Service

<https://crsreports.congress.gov>

R46909

R46909

August 4, 2022

Benjamin Collins
Analyst in Labor Policy

Cassandra Dortch
Specialist in Education
Policy

The FAFSA Simplification Act

The Higher Education Act of 1965 (HEA; P.L. 89-329, as amended), authorizes numerous federal aid programs that provide support to both individuals pursuing a postsecondary education and institutions of higher education (IHEs). Title IV of the HEA authorizes the primary sources of postsecondary federal student aid, including Pell Grants and Direct Loans. Students apply for federal student aid by completing the Free Application for Federal Student Aid (FAFSA). There have been several long-standing concerns that the length and complexity of the FAFSA, and the lack of transparency and predictability its use provides for students and their families, may discourage postsecondary educational access and attainment.

The FAFSA Simplification Act (FSA; Title VII, Division FF of P.L. 116-260) makes significant changes to the underlying processes and methodologies for determining federal student aid eligibility. As originally enacted, the FSA had a general effective date of July 1, 2023. In March 2022, the FAFSA Simplification Act Technical Corrections Act (FSATCA) was enacted as Division R of the Consolidated Appropriations Act, 2022 (P.L. 117-103). The law pushed the general effective date for the FSA back one year, to July 1, 2024, coinciding with the beginning of the 2024-2025 award year. Both the original FSA and the FSATCA authorized ED to implement certain provisions prior to the general effective date.

The FSA amendments retain need analysis formulas that establish an indicator of what the student's family is expected to pay for higher education based on information provided on the FAFSA. The FSA amends the indicator's name from *expected family contribution* (EFC) to *student aid index* (SAI). The SAI has fewer formula factors than the EFC, requires fewer questions on the FAFSA, and permits a higher share of FAFSA responses to be imported from a federal income tax return.

To make the student aid process more predictable for low-income students, the FSA amendments establish a new policy by which students with an adjusted gross income (AGI) below specified levels can automatically qualify for a maximum Pell Grant. The AGI threshold is either 175% or 225% of federal poverty guidelines, depending on the student's dependency status and marital status. In the case of a dependent student, the marital status criteria and AGI threshold are applied to the student's parent(s).

Students who do not qualify for a Pell Grant based on their AGI can still qualify for a Pell Grant based on their calculated SAI. Students who qualify for a maximum Pell Grant based on their AGI qualify for an SAI of zero or, in certain cases, a negative SAI. The SAI of these students establishes eligibility for maximum amounts of other forms of need-based federal student aid.

The FSA amendments make additional changes to the award rules and some eligibility criteria for the Pell Grant program. For students enrolled less than full-time, their Pell Grant will be reduced in proportion to their actual enrollment rate (e.g., 11 credits out of 12 full-time credits) instead of their tiered enrollment rate (e.g., less than full-time but at least three-quarter-time). With respect to eligibility, the FSA amendments eliminate the prohibition against students incarcerated in a federal or state penal institution receiving a Pell Grant, but require that Pell Grant recipients in a correctional institution be enrolled in prison education programs. These programs must meet all of the HEA Title IV program eligibility requirements and additional requirements, many of which are intended to help incarcerated individuals seek further education or employment upon release.

The FSA amendments expand student aid access by eliminating prohibitions for students with certain drug-related offenses and students who failed to register for the Selective Service. The FSA amendments modify procedures by which certain student populations can establish independent student status and not provide parental information on the FAFSA.

The FSA amendments provided relief to borrowers of loans made through two HEA loan programs. It repealed the Direct Loan program's Subsidized Usage Limit Applies (SULA) requirement so eligible undergraduate students who borrow Direct Subsidized Loans retain their interest subsidy despite remaining enrolled for a period that exceeds 150% of the published length of their academic program. The FSA amendments also directed ED to repay the outstanding balances on Historically Black Colleges and Universities (HBCU) Capital Financing loan amounts that had been disbursed to eligible institutions as of December 27, 2020. ED made the SULA repeal effective August 13, 2021, and discharged approximately \$1.6 billion of debt for 45 HBCUs in April 2021.

SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair
2021 - 2022 Regular

Bill No:	AB 469	Hearing Date:	July 14, 2021
Author:	Reyes		
Version:	July 5, 2021		
Urgency:	No	Fiscal:	Yes
Consultant:	Olgalilia Ramirez		

Subject: Pupil instruction: financial aid applications

SUMMARY

This bill requires, commencing with the 2022-23 academic year, a local educational agency (LEA) to ensure a student in grade 12 completes and submits a Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA), unless the student or the student's parent or guardian opts out. The bill requires an LEA to exempt a student who is unable comply with the requirement, as specified.

BACKGROUND

Existing law:

- 1) Establishes the California Student Aid Commission (Commission) as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. These programs include grant, work-study, and loan programs supported by the state and the federal government. (Education Code § 66010.6.(b))
- 2) Provides for a variety of student financial aid programs, including the Cal Grant programs. Existing law requires that eligibility for a Cal Grant and the determination of financial need be accomplished using the federal financial need methodology and application prescribed by the Commission (the FAFSA for permanent residents), and that this application be used for all programs funded by the state or a public institution of post-secondary education as well as all federal programs administered by a postsecondary educational institution. (EC § 69432.9, § 69433)
- 3) Exempts specified California nonresidents from paying nonresident tuition at the University of California (UC), California State University (CSU), and California Community Colleges (CCC), also known as the AB 540 nonresident tuition waiver, if they meet certain requirements. (EC § 68130.5.)
- 4) Establishes the California Dream Act and provides that, beginning January 1, 2013, AB 540 students are eligible to apply for, and participate in, any student financial aid program administered by the State of California. The Commission is required to establish procedures and forms (the California Dream Act Application,

or CADAA) that enable AB 540 students to apply for, and participate in, all student financial aid programs, including the Cal Grant program, administered by the State of California. (EC § 69508.5)

- 5) Authorizes the Commission to expend funds for the purposes of disseminating information about all institutional, state, and federal student aid programs to potential applicants. It further authorizes the Commission, as the administrators of the California Student Opportunity and Access Program, to apportion funds for the support of projects designed to increase the accessibility of postsecondary educational opportunities for elementary and secondary school pupils, as specified. (EC § 69561 and 69514 (g))
- 6) Requires, commencing with the 2020-21 school year, the governing board of a school district and the governing body of a charter school to:
 - a) Ensure that each pupil receives information on how to properly complete and submit the FAFSA or the CADAA, as appropriate, at least once before the pupil enters grade 12; and
 - b) Handle any information shared by parents, guardians, and pupils under this section according to applicable federal and state privacy laws and regulations. (EC § 51225.8)
- 5) Requires the governing board of a school district and the governing body of a charter school to ensure that a paper copy of the FAFSA or CADAA is provided to a pupil, if that pupil or the pupil's parent or guardian requests a copy.
- 6) Prohibits, pursuant to federal law, funds from being made available under any applicable program to any educational agency or institution that permits release of a student's education records, or the personally identifiable information contained therein, other than directory information, without the written consent of their parents (United States Code, Title 20, § 1232(b)).
- 7) Prohibits school officials and employees of an LEA from collecting information or documents regarding the citizenship or immigration status of pupils or their family members, except as required by state or federal law, or as required to administer a state or federally-supported educational program (EC § 234.7).
- 9) Requires educational counseling to include academic counseling, in which pupils receive advice on the following (EC § 49600):
 - a) Development and implementation, with parental involvement, of the pupil's immediate and long-range educational plans;
 - b) Academic planning for access and success in higher education programs, including advisement on courses needed for admission to public colleges and universities, standardized tests, and financial aid; and
 - c) Career and vocational counseling, in which pupils are assisted in, among other things, understanding the variety of four-year colleges and universities and community college vocational and technical preparation programs, as well as admission criteria and enrollment procedures.

- 10) Requires that information of a personal nature disclosed by a pupil who is 12 years of age or older, or by the parent or guardian of a pupil who is 12 years of age or older, to a school counselor during counseling be deemed confidential, except in specified circumstances, and prohibits such information from being included in a pupil's record without the written consent of the person who disclosed the information (EC § 49602).

ANALYSIS

This bill:

- 1) Requires, commencing with the 2022-23 school year, the governing body of a LEA confirm that a student complies, except in certain circumstances with at least one of the following :
 - a) Complete and submit a FAFSA to the United States Department of Education.
 - b) If the student is exempt from paying nonresident tuition pursuant to existing law established by AB 540 (Firebaugh, Chapter 814, Statutes of 2001), the student completes and submits to the CADAA to the Commission.
- 2) Allows parents/legal guardians and certain students to opt-out of application completion requirements pursuant to the bill, by submitting a form that is provided by the Commission to the LEA.
- 3) Requires an LEA to exempt a student or parent/legal guardian from the FAFSA or CADDAA submission requirement, if it determines that a student is unable to complete an application.
- 4) Requires an LEA to exempt a student or parent/legal guardian from having to submit an opt-out form if the LEA determines that the student is unable to complete the application and instead requires the LEA to submit the opt-out form on their behalf.
- 5) Requires the governing board or body of the LEA to ensure all of the following:
 - a) The LEA directs each high school student or parent/legal guardian, if applicable, to any support and assistance services necessary to comply with the student aid application submission requirement that may be available through outreach programs, including but not limited to, those programs operated by the Commission, postsecondary immigration resource centers, college readiness organizations, community-based organizations, and legal resource organizations.
 - b) Information shared by parents/legal guardians and students pursuant to the bill is handled in compliance with federal and state privacy laws.

- 6) Requires, by September 1, 2022, and each year thereafter, the Commission and the California Department of Education (CDE) to facilitate completion of the FAFSA and the CADAA in the following manner:
 - a) CDE is to share the current school year's roster of pupils with the Commission.
 - b) The Commission is to match the data shared by CDE with a pupil's application status based on the data possessed by the Commission related to submission of the FAFSA and CADAA.
- 7) Requires the Commission, on or before July 1, 2022, to adopt regulations including, but not limited to, model opt-out forms and acceptable use policies for purposes of providing guidance relating to student information and privacy, as specified.
- 8) Prohibits a student from being penalized or punished or have their graduation impacted for not fulfilling the student aid application requirement.
- 9) Defines various terms for purposes of the bill including:
 - a) "Extenuating circumstances" to mean situations or conditions that provide an excuse, including, but not limited to, military plans, religious reasons, or entering the workforce, for not completing a requirement of this bill.
 - b) "Local educational agency" to mean a school district, county office of education, or charter school.
 - c) "Pupil" to mean a pupil in grade 12 attending a high school maintained by an LEA.
 - d) "Outreach program" means a nonprofit entity that is exempt from taxation pursuant to federal law or a public entity with experience in either or both of the following:
 - i) Assisting pupils with financial aid application completion.
 - ii) Serving pupils who are eligible to submit a California Dream Act application.
- 10) Makes various findings and declarations relevant to the bill.
- 11) States that it is the Legislature's intent, among other things, to give LEA's direction and discretion on how to coordinate and assist families and students in completion of financial aid applications.

STAFF COMMENTS

- 1) *Need for the bill.* In 2018, California passed AB 2015 (Gomez Reyes, Chapter 533, Statutes of 2018) that requires public schools serving students in grade 9-12 to offer information on how to properly complete and submit a FAFSA and

CADAA at least once before 12th grade. According to the author, “This bill would build upon AB 2015’s efforts by making sure students not only receive information about FAFSA/CADAA but also ensure all students submit a financial aid form so they can access critical financial resources.

“Nationwide three states require completion of financial aid applications for graduating high school seniors they include: Louisiana, Texas, and Illinois. In Louisiana’s first year of implementation, FAFSA application rates rose 26 percentage points to an overall completion rate of over 77%, making them the state with the highest FAFSA completion in the nation.

“Despite having a higher than average state poverty rate, California in 2018 ranked 30th in the country for FAFSA completion. A recent analysis by Ed Source found that, in the year after the outbreak of COVID-19, FAFSA completion rates in California decreased by 11% and CADAA by 45%. The report noted that the decrease in applications was most significant among low-income students.

“In 2017, California’s own Val Verde Unified School District made financial aid application completion a graduation requirement and raised completion rates by 14% within the first year, with no adverse impact on high school graduation rates. Rancho Verde High School currently leads the state with one of the highest percentages of FAFSA/CADAA completion at 92%. Most recently, Paris Unified School District has joined this movement.”

- 2) *Related budget activity.* The postsecondary education trailer bill, SB 132 (Committee on Budget and Fiscal Review, 2021) has provisions that are nearly identical to this bill. Accordingly, this bill is in conflict with the budget trailer bill.
- 3) *FAFSA applicants.* The FAFSA is the core document used to determine eligibility for all major federal and state financial aid programs, including Cal Grant, Pell Grant, institutional aid at the UC and the CSU, work-study awards, scholarships, and federal student loans. Because financial aid for college takes into consideration the cost of attendance and a family’s ability to pay in determining eligibility for financial aid, the FAFSA asks for personal information such as income and tax information and social security number. Although steps have been taken to simplify the application, it can be a cumbersome process for many families.
- 4) *CADAA applicants.* Not all students qualify for federal programs or FAFSA completion. State law, established by AB 540 and expanded upon by other legislation, allows non-resident status students who live in California to pay in-state tuition. These students may include undocumented students and students who are U.S. citizens but do not have California resident status. Some AB 540 students are only eligible to apply for, and participate in, student financial aid programs administered by the *state* and by *public postsecondary institutions*. The CADAA is used to determine the eligibility of AB 540 students for California student financial aid.

- 5) *Students should only complete one form.* A student should only complete one of the applications according to their citizenship status. The CADAA caters to a unique population of California students. However, the vast majority of high schools students qualify for FAFSA application completion and can access to both federal and state financial aid programs.
- 6) *Should the state also expand its financial aid outreach programs?* Completion of the FAFSA/CADAA makes college attendance possible for many families but it can be a complex process for some and certain errors can have a significant impact. This bill essentially requires confirmation of submission of a completed FAFSA/CADAA. LEAs may direct students to outside organizations for assistance. Currently, the Commission administers two financial aid assistance programs: Cal-SOAP and Cash for College. Both programs were established by the Legislature to improve the flow of information around student aid into high schools. Cal-SOAP staff and Cash for College volunteers provide financial aid advising and help with FAFSA and CADAA completion. With 16 Cal-SOAP projects across the state and the Cash for College program's volunteer based structure, their reach into high schools is limited. *Should a proposal that establishes a systematic approach for applying for aid, like the one proposed in this bill, also include support for programs like Cal-SOAP and/or Cash for College so that families and LEA's have experienced and reliable support in completing the FAFSA/CADAA?*

SUPPORT

10,000 Degrees

99rootz

Abriendo Puertas/opening Doors

Asian Americans Advancing Justice - California

Association of California School Administrators

Blu Educational Foundation

CA Association of African American Superintendents & Administrators

Cal Chamber

California Federation of Teachers Afl-cio

California Health+ Advocates

California Latino Legislative Caucus

California State PTA

California Student Aid Commission

Californians Together

Campaign for College Opportunity

Canal Alliance

Children Now

Children's Defense Fund-California

Community Coalition

Congregations Organized for Prophetic Engagement

Council of Mexican Federations (COFEM)

Dolores Huerta Foundation

Ed100

Equal Justice Society

Faith in the Valley

Future Leaders of America
Go Public Schools
Greater Sacramento Urban League
Hispanic Association of Colleges and Universities (HACU)
Improve Your Tomorrow, INC.
John Burton Advocates for Youth
Just Equations
Kid City Hope Place
Latino and Latina Roundtable of The San Gabriel and Pomona Valley
Law Foundation of Silicon Valley
League of Women Voters of California
Linked Learning Alliance
Los Angeles Chamber of Commerce
Mi Familia Vota
Mission Graduates
National Association of Social Workers, California Chapter
Nextgen California
Northern California College Promise Coalition
Oakland Promise
Parent Organization Network
Partnership for Los Angeles Schools
Reach Higher Riverside
Reinvent Stockton Foundation
San Francisco Chamber of Commerce
SoCal CAN
Student Senate for California Community Colleges
The Desertsong Group
The Education Trust – West
The Institute for College Access and Success
Uasprie
Umoja Community
Unidosus
University of California Student Association
Watts Century Latino Organization
Young Invincibles
Youth Alive

OPPOSITION

None received.

-- END --

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

Published on <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2023-08-04/fafsa-simplification-act-changes-implementation-2024-25>

PUBLICATION DATE: August 04, 2023

DCL ID: GEN-23-11

SUBJECT: FAFSA Simplification Act Changes for Implementation in 2024-25


SUMMARY: This letter summarizes changes to requirements under Title IV of the Higher Education Act resulting from the FAFSA Simplification Act that will become effective for the 2024-25 Award Year. These changes include significant modifications to the need analysis formulas and calculation of Federal Pell Grant awards.

Dear Colleague:

The FAFSA Simplification Act (Act) was enacted into law as part of the Consolidated Appropriations Act, 2021, and amended by the Consolidated Appropriations Act, 2022. The Act further amends the Higher Education Act of 1965, as amended (HEA), and impacts the Free Application for Federal Student Aid (FAFSA®).

Over the past three years, the Department of Education (Department or we) has implemented these changes in phases, beginning with the 2021-22 Award Year. The final phase of the Department's implementation of the changes required by the Act will occur in the 2024-25 Award Year.

This Dear Colleague Letter (DCL) summarizes the changes resulting from the Act that have previously been implemented and explains the final changes to the need analysis formulas and the calculation of Pell Grant awards that the Department is implementing beginning with the 2024-25 Award Year. The Department will make significant and extensive changes to the FAFSA form and process for the 2024-25 Award Year to implement these statutory changes.

The Office of Postsecondary Education (OPE) has also published Questions and Answers (Q&As) about FAFSA Simplification changes for the 2024-25 Award Year. These Q&As can be found on the [OPE website](#) .

Summary of FAFSA Simplification Changes Previously Implemented

The Department has already implemented numerous components of the Act in the current and prior award years. Major changes that have already been implemented include:

- Beginning with the 2021-22 Award Year, elimination of limitations on student eligibility related to Selective Service registration and drug convictions, described in [DCL GEN-21-04](#)
- Beginning with the 2021-22 Award Year, elimination of the subsidized usage limitations on eligibility for Direct Loans, described in [Electronic Announcement EA ID: DL-21-04](#)
- Beginning with the 2023-24 Award Year, changes to the statutory definition of cost of attendance (COA), professional judgment requirements, determinations of independence, application process for unaccompanied homeless youth and foster care youth, and Pell Grant lifetime eligibility restoration described in [DCL GEN-22-15](#)
- Beginning with the 2023-24 Award Year, elimination of the ban on Pell Grant eligibility for confined or incarcerated individuals, described in [DCL GEN-23-05](#)

Transition from Expected Family Contribution to Student Aid Index

The Act requires that schools transition from the Expected Family Contribution (EFC) to the Student Aid Index (SAI) beginning in the 2024-25 Award Year. The SAI is a number that determines each student's eligibility for certain types of federal student aid. An applicant's SAI is calculated using modified need analysis formulas outlined in the Act. These formulas use information that applicants provide on the FAFSA® form and, in most cases, federal tax information (FTI) that is retrieved directly from the Internal Revenue Service (IRS).

The most significant changes to the need analysis formulas include:

- Removal of the number of family members in college from the eligibility calculation
- The possibility for an SAI to be a negative number, with a minimum SAI of -1,500 instead of zero

- Elimination of alternate EFCs for enrollment for a period other than 9 months
- Elimination of the Simplified Needs Test (SNT) and Auto-Zero calculations, which have been replaced with similar calculations described below

Use of Federal Tax Information

The Act requires that, wherever possible, the Department use data received directly from the IRS to calculate a student's SAI and Pell Grant award. The Fostering Undergraduate Talent by Unlocking Resources for Education Act (FUTURE Act) requires the Department of Education to access tax information held by the IRS pertaining to FAFSA applicants — and, where applicable, their parents and spouses — through a secure method: the FUTURE Act Direct Data Exchange (FA-DDX). The FUTURE Act amended the Internal Revenue Code (IRC) to mandate the disclosure of FTI directly from the IRS to the Department with an individual's approval and consent. The FUTURE Act also made providing consent for the exchange of FTI a requirement for receiving federal student aid.

There are strict limitations on the access and use of FTI under the IRC. FTI will only be available to institutions, state higher education agencies, and designated scholarship organizations, via the Institutional Student Information Record (ISIR). FTI will not be included on the FAFSA Submission Summary.

Applicants may view all information provided on their FAFSA by obtaining an unredacted copy of their ISIR from their school. However, contributors may only obtain information they provided on the FAFSA, such as their FTI. Contributors are individuals, such as a parent or spouse, that may be required to provide information on an applicant's FAFSA depending on the applicant's dependency or marital status. Despite these limitations, institutions are still permitted to use professional judgment to amend FAFSA data values, including information that was originally received as FTI.

Applicants and other contributors must consent to the use of their FTI on the FAFSA. An applicant or contributor can enter income and tax data manually on the FAFSA. However, we will reject the ISIR, and the applicant will not be eligible for federal student aid until all required contributors provide consent. Because the FUTURE Act requires consent to use FTI for federal student aid eligibility and FTI includes filing status, nontax filers must also consent.

Applicants and other FAFSA contributors will also need to provide information on the FAFSA that is not FTI (such as certain demographic information and assets). That information is subject to general requirements for use and disclosure of FAFSA data.

An [Electronic Announcement \(EA ID: GENERAL-23-34\)](#), published May 12, 2023, contains additional information on the requirements for accessing and using FTI. The Department also plans to provide additional information about requirements for protecting Controlled Unclassified Information, including FTI, in the near future.

Changes to the Need Analysis Formulas

Like the EFC, an applicant's SAI is still determined by one of three formulas:

- Formula A – Dependent students
- Formula B – Independent students without dependents other than a spouse
- Formula C – Independent students with dependents other than a spouse

The Act did not substantially change the structure of these formulas but did change the data elements used in each formula. It also eliminated the simplified versions of each formula and instead established new rules for exempting certain applicants from providing asset information based on criteria that are similar to those used for the simplified EFC formulas.

Each formula is described in detail in the [2024-25 Draft SAI and Pell Grant Eligibility Guide](#), published in Federal Student Aid's [Knowledge Center](#) and updated as additional guidance becomes available.

Income components

Most income items for the 2024-25 Award Year can be found on a U.S. income tax return and will be imported to the application via the FA-DDX, eliminating the need for the applicant to self-report most income. A significant change will be the reduction of untaxed income items included in the need analysis, which will include only the following:

1. Deductions and payments to self-employed SEP, SIMPLE, Keogh, and other qualified individual retirement accounts excluded from income for federal tax purposes, but excluding payments made to tax-deferred pension and retirement plans, paid directly or withheld from earnings, that are not on the federal tax return
2. Tax-exempt interest income
3. The untaxed portion of individual retirement account distributions (excluding rollovers)
4. The untaxed portion of pensions (excluding rollovers)
5. The foreign earned income exclusion

Other types of untaxed income have been eliminated from the need analysis, including housing, food, and living allowances paid to members of the military and clergy; veterans noneducation benefits; and the general categories of “other untaxed income” and “money received by or paid on behalf of the student.”

Note that foreign earned income exclusion amounts must be entered manually (they are not transferred via the FA-DDX), and although they are included in the calculation of an applicant’s SAI, they are not considered when determining the applicant’s eligibility for a Maximum Pell Grant. As such, for the 2024-25 Award Year there will be a new “C flag” comment code added to the ISIR that will require institutions to review how foreign income exclusion amounts impact eligibility for a Maximum Pell Grant prior to awarding federal student aid. See the relevant Q&A at OPE’s website for details.

Applicants and contributors who file foreign tax returns will not have tax information available to retrieve from the IRS and instead will have to input their income and tax data manually, although they will still be required to provide consent to use their FTI (which includes filing status). They will convert foreign currency to dollars and enter the resulting amounts in the comparable fields from U.S. tax returns, such as adjusted gross income, income tax paid, and any untaxed income that corresponds to the five types of untaxed income listed above.

Allowances against income

Some of the allowances against income have changed, and some are the same or similar. For the 2024-25 award year, allowances against income will include:

- Federal Work-Study (FWS) Program income, rather than the broader allowance against income for taxable earnings from need-based employment that appears in the EFC formula;
- Any institutional grant and scholarship aid included in adjusted gross income (AGI) on a federal tax return, including amounts attributable to grant and scholarship portions of fellowships and assistantships, as well as AmeriCorps benefits (including awards, living allowances, and interest accrual payments);
- American Opportunity or Lifetime Learning education tax credit amounts claimed on the federal tax return;
- The payroll tax allowance, which replaces the Social Security Tax allowance in the EFC formula; and
- Federal income tax paid, the employment expense allowance, and the income protection allowance (IPA).

Cooperative education employment earnings, child support paid, combat pay, and the state and other tax allowance are no longer treated as allowances against income in the SAI formula and will no longer be reported on the FAFSA. Additionally, the IPA will no longer account for the number of family members in college. However, the IPA has been increased, which helps to offset the removal of these allowances.

Asset components

There are significant changes to the asset contribution components in the SAI formula.

- Assets now include the annual amount of child support received (previously included as income in the EFC formula). The recipient of the child support will be asked to report the amount received in the last complete calendar year.
- The net worth of a business is no longer limited to those with more than 100 full-time employees. Applicants will be asked to report the net worth of all businesses, regardless of the size of the business.
- Net worth of a farm now includes the value of a family farm. However, the value of a family’s primary residence is still excluded. The net worth of a farm may include the fair market value of land, buildings, livestock, unharvested crops, and machinery actively used in investment farms or agricultural or commercial activities, minus any debts held against those assets.
- For dependent students, education savings accounts will only be counted as a parental asset if the account is designated for the student. Previously, if a parent had education savings accounts for their other children, the value of those was also required to be counted.

The law specifically highlights certain changes to assets or income as items that the financial aid administrator can adjust using professional judgment. These include:

- Excluding from family income or assets any proceeds or losses from a sale of farm or business assets of a family resulting from a foreclosure, forfeiture, bankruptcy, or liquidation; or
- Adjusting assets to consider additional costs incurred by the student because of a disability of the student, their dependent or spouse, or their parent or guardian.

Other notable changes

The definition of family size has changed to align with the number of individuals reported as dependents on the applicant's (if independent) or applicant's parents' (if dependent) U.S. tax return. Applicants may update family size if it changes after filing the tax return.

The number of family members in college is no longer a factor in the need analysis. Schools may use professional judgment to adjust other data items related to COA or SAI that reflect costs associated with additional family members enrolled in college.

The Simplified Needs Test (SNT) and Auto-Zero were eliminated. Some applicants will still qualify for an automatic Maximum Pell Grant or be exempt from asset reporting based on similar criteria.

Some applicants will qualify for a Maximum Pell Grant based on tax filing status or on AGI compared to poverty threshold for their family size and state of residence. Those who qualify for a Maximum Pell Grant and are not required to file a federal income tax return (if independent) or whose parents are not required to file a federal income tax return (if dependent) will be assigned an SAI equal to -1,500. Other students eligible for a Maximum Pell Grant will receive an SAI no greater than 0.

Other applicants will have assets excluded from their SAI calculation based on income, tax filing status, and receipt of a benefit from a federal means-tested benefit program. This asset exclusion effectively replaces the SNT from the EFC formulas. The following applicants are eligible for the asset exclusion provision:

- An applicant who qualifies for an automatic Maximum Pell Grant award (as described below under "Calculation of a Federal Pell Grant")
- An applicant who received a benefit under a federal means-tested benefit program in the prior two completed calendar years (i.e., 2022 or 2023 for the 2024-25 award year) or whose parent or spouse received such a benefit during the same period
- A dependent applicant whose parents (1) have a total AGI of less than \$60,000; (2) do not file a Schedule A, B, D, E, F, or H (or equivalent successor schedules) on their federal tax return; and (3) either do not file a Schedule C or file that form with a net business gain or loss of \$10,000 or less
- An independent applicant who (1) has a total AGI (including the student's spouse, if any) of less than \$60,000; (2) does not file a Schedule A, B, D, E, F, or H (or equivalent successor schedules) on the federal tax return; and (3) either does not file a Schedule C or files that form with net business gain or loss of \$10,000 or less

Dependent applicants will not qualify for an exemption from asset reporting if their parents do not reside in and do not file taxes in the U.S. or a U.S. territory unless they are not required to file due to having income below the filing threshold.

Dependency Status

The criteria used to determine dependency status for receiving federal student aid remain largely the same but with some differences.

Beginning with the 2024-25 award year, students who are separated will no longer be considered married and should not indicate they are married on the FAFSA. Unless independent by a criterion other than marriage, they will be considered dependent students.

The Act adds to the dependency override (DO) provision by noting that a DO may be warranted when a student is unable to contact their parents or when contact poses a risk to the student. Circumstances where contact is not possible or risky can include human trafficking (as described in the Trafficking Victims Protection Act); legally granted refugee or asylum status; parental abandonment; estrangement; or student or parent incarceration. However, incarceration by itself is not sufficient to make a student automatically independent. The financial aid administrator would need to determine that the student is unable to contact their parent(s) or that contact would pose a risk to the student.

Changes to Definition of "Veteran" for Purposes of Determining Independence

The Act changes the statutory basis for determining who is a veteran. It cites Title 38 (about veterans' benefits) of the [U.S. Code](#), section 101(2), which has similar language to the HEA and states that a veteran is one who served in the active military, naval, air, or space service and who was discharged or released under conditions other than dishonorable. The Act further provides that "veteran" includes any person who falls under 38 U.S.C. 101(21)-(23). Those paragraphs define "active duty," "active duty for training," and "inactive duty training." FAAs should rely on Sec. 101 definitions to determine whether an applicant is a veteran.

Provisional Independent Status

Beginning with the 2024-25 award year, otherwise dependent students who indicate that they have unusual circumstances that prevent them from providing parent data will no longer receive a rejected application but will instead have their application processed with a provisional independent status. This will generate output documents with a provisional SAI and an estimate of

federal student aid eligibility. Aid administrators will need to make a final determination whether these students should receive a dependency override.

The guidance in [DCL GEN-22-15](#), in the section “Additional Flexibility for Assisting Students with Unusual Circumstances,” established the communication timeline and processing procedure that schools must follow beginning in the 2023-24 Award Year when handling cases where students indicate they might be independent due to unusual circumstances. The communication timeline and processing procedure laid out in that DCL will continue in Award Year 2024-2025 and beyond.

Awarding Aid Using the Student Aid Index

Other Financial Assistance

Under the Act, the term “estimated financial assistance (EFA)” was replaced with “other financial assistance (OFA).” OFA still refers to all scholarships, grants, loans, or other assistance known to the institution at the time the determination of the student's need is made. FSA will begin using the term “other financial assistance” throughout our various publications and websites.

The formula for determining a student's need remains the same, except that EFC has been replaced by SAI and EFA has been replaced by OFA. When determining a student's need, an institution will use the following formula: Cost of Attendance (COA) minus Student Aid Index (SAI) minus Other Financial Assistance (OFA) equals need. ($\text{COA} - \text{SAI} - \text{OFA} = \text{Need}$)

The new definition of items excluded from consideration as other financial assistance now includes the following two forms of assistance:

- Foster care benefits received under Title IV, Part E, of the Social Security Act, including education and training vouchers and room and board that youth are receiving as extended foster care benefits under Section 477 of that act
- Emergency financial assistance provided to the student for unexpected expenses that are a component of the student's COA, and not otherwise considered when determining the student's need

Treatment of Negative Student Aid Index (SAI)

An applicant may receive a negative SAI as low as -1,500. When packaging students for need-based Title IV aid (Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work-Study (FWS), and Direct Subsidized Loan programs), convert any negative SAIs to a 0 SAI for awarding purposes. For example, consider an applicant with a \$15,000 COA, a -500 SAI, and a \$7,395 Federal Pell Grant. When calculating remaining need for other need-based programs, the school will change the -500 to 0 in the need-based calculation referenced above. The student's remaining need will be \$7,605 ($\$15,000 - 0 - \$7,395 = \$7,605$).

Note that a negative SAI converted to 0 will also not increase a student's eligibility for non-need-based aid.

Removal of Alternate Expected Family Contributions

In amending HEA section 475, Congress removed the provisions that allowed schools to use alternate EFCs when packaging students for periods other than 9 months. Therefore, when packaging for any period that is not 9 months, schools will use the calculated SAI (9-month) in the awarding formula for need-based aid ($\text{COA} - \text{SAI} - \text{OFA} = \text{Need}$). For example, if a student is attending a summer term only, the COA used to determine subsidized Direct Loan eligibility will be based on the actual period of enrollment (3 months), but the SAI used in the formula will be the 9-month calculated SAI. As a result, students enrolled for periods shorter than 9 months will have less need than when using an alternate EFC.

Veterans' Education Benefits Excluded from Consideration as OFA

The HEA lists veterans' education benefit programs that are excluded from consideration as other financial assistance. The Act did not change the veterans' education benefit programs listed in the HEA. However, Congress did remove the phrasing “including but not limited to” when describing what constitutes veterans' education benefits. Therefore, veterans' education benefits not considered other financial assistance when awarding federal financial aid are those benefits expressly listed in HEA section 480(c). This means financial assistance under programs such as the Veterans Retraining Assistance Program (VRAP) and the Veterans Rapid Retraining Assistance Program (VRRAP) will no longer be excluded from OFA.

Prohibition on Requiring Additional Financial Information

The Act affirms that institutions may not require additional information beyond the FAFSA to award or disburse federal financial aid to applicants. The exceptions to this rule are if additional information is required to complete the verification process, document a determination of independence, or exercise professional judgment. Additional information may be requested for the separate awarding of state, tribal, and institutional financial aid. We encourage institutions, state higher education agencies, and others to rely solely on the Student Aid Index and other FAFSA data elements whenever possible.

Several changes to the 2024-25 FAFSA described above may impact a school's ability to complete the institutional awarding and packaging process. Examples include removal of the housing question, removal of the ability for independent students to elect to provide parent information (including financial information), and removal of the question asking the student whether they are interested in work study. An institution may separately ask students to indicate a choice (e.g., clarify their housing plans to produce a more accurate COA) but may not require this information as a condition of awarding or disbursing federal student aid.

Calculation of a Federal Pell Grant

The Act makes several significant changes to the process for determining the amount of a student's Scheduled Award and disbursement amounts.

Pell Grant Formulas 1-5 used to determine a student's Pell Grant payment amount were not changed. However, as described below, the enrollment status step within the Pell Grant Formulas will now use an enrollment intensity formula where appropriate. The law changed the Scheduled and Annual Pell Grant Award calculations, which we describe below. Additional details, including examples of payment schedule calculations for each Pell Formula, are available in the [2024-25 Draft Student Aid Index \(SAI\) and Pell Grant Eligibility Guide](#).

Note that the Department's regulations for the Pell Grant program currently make reference to enrollment status. Until the Pell regulations are corrected, schools should interpret any reference to enrollment status in those regulations to mean enrollment intensity.

Steps to Determine a Student's Eligibility for Pell Grant Funds

In the 2024-25 award year and thereafter, the Department will no longer publish a Pell Grant Payment and Disbursement Schedule for use in determining a student's Pell Grant eligibility. Instead, Pell Grant eligibility will be determined using the following steps:

1. Determine the student's Pell Grant Scheduled Award
2. Determine the student's Pell Grant Annual Award using Pell Formulas 1 through 5 and the student's **expected** enrollment intensity
3. Apply the appropriate Pell Formula to divide the Annual Award among the payment periods in which the student plans to enroll
4. Change the student's disbursement amount for a payment period based on the student's **actual** enrollment intensity for that period
5. Reduce the disbursement amount for the payment period if the student has reached their annual or lifetime maximum

We explain these steps in greater detail below.

Calculation of Pell Grant Scheduled Award

The Pell Grant Scheduled Award is the maximum amount a student can receive during the award year if the student attends full-time for a full academic year. This definition remains unchanged, but the Act significantly changed the calculation of a Scheduled Award.

Beginning with the 2024-25 award year, each student's Scheduled Award is one of the following:

- An automatic Maximum Pell Grant Award (Max Pell)
- SAI-calculated Pell Grant, determined by subtracting the student's SAI from the annual published Max Pell
- A Minimum Pell Grant Award (Min Pell)

Maximum and Minimum Pell Grant eligibility are determined based on tax filing requirements, family size and composition (i.e., single parent or non-single parent), poverty guidelines, and state of residence. If a student qualifies for a Maximum Pell Grant, the SAI is not used to determine the amount of that grant. An SAI-calculated Pell Grant is determined by subtracting the student's calculated SAI from the annual published Max Pell, then rounding to the nearest \$5. If the SAI-calculated Pell Grant is less than the published Min Pell, the student is ineligible for an SAI-calculated Pell Grant. However, the student may still be eligible for a Min Pell if they meet the minimum Pell Grant eligibility requirements.

Calculation of Pell Grant Annual Award

The Pell Grant Annual Award is the Pell Grant Scheduled Award adjusted for enrollment intensity. This represents a change in the way a Scheduled Pell Grant gets reduced for students enrolled less than full-time. Beginning with the 2024-25 award year, we will replace enrollment categories of full-time, three-quarter-time, half-time, and less-than-half time with a continuous

measure of enrollment intensity. Except for students enrolled in clock-hour or nonterm credit-hour programs, students enrolled less than full time must have their Pell Grant Scheduled Award prorated based on their enrollment intensity.

Enrollment Intensity Adjustments for Pell Grant Awards

Enrollment intensity is the percentage of full-time enrollment at which a student is enrolled, rounded to the nearest whole percent. For example, if full-time enrollment is 12 or more credit hours and the student is enrolled in 7 hours, the enrollment intensity would be $(7 \div 12) \times 100\% = 58\%$. For the 2024-25 award year and thereafter, a student's Scheduled Pell Grant award is multiplied by the student's enrollment intensity percentage to determine the Annual Pell Grant Award. Though a student's enrollment may exceed full-time enrollment, as defined by the school, enrollment intensity cannot exceed 100% for Pell Grant adjustment purposes. Please note that students enrolled in clock-hour or nonterm credit-hour programs are still always considered to be enrolled full-time for Pell Grant awarding purposes and, therefore, will always have an enrollment intensity of 100% when calculating Pell Grant amounts within Formula 4.

Please note that if an institution awards credits in decimals (e.g., 7.5 credits, 10.5 credits) the institution must incorporate the partial credits that it awards into the enrollment intensity formula (e.g., $(7.5 \div 12) \times 100\% = 63\%$).

Changes to Year-Round Pell Grant Awards


The Act made an important change to Year-Round Pell. Previously, a Pell Grant-eligible student must have been enrolled at least half-time in a payment period during which they received more than 100% of their Scheduled Award. The law removes the half-time enrollment requirement beginning with the 2024-25 award year but made no other changes to the Year-Round Pell provisions.

Changes to Iraq and Afghanistan Service Grants and Children of Fallen Heroes Award Eligibility

The Act changes eligibility for what were formerly called Iraq and Afghanistan Service Grants (IASG) and Children of Fallen Heroes (CFH) Awards as well as the resulting award amount. Beginning with the 2024-25 award year, students who meet the eligibility requirements for Pell Grants under the Special Rule in HEA Section 401(c) will receive Max Pell, regardless of their calculated SAI. To receive a Pell Grant based on eligibility under the Special Rule, a student must be--


- The child of a parent or guardian who died in the line of duty while (a) serving on active duty as a member of the Armed Forces on or after September 11, 2001; or (b) actively serving as and performing the duties of a public safety officer; and
- Less than 33 years old as of the January 1 prior to the award year for which the applicant is applying (e.g., for the 2024-25 award year, a student must be less than 33 years old as of January 1, 2024, to be eligible).

The Department of Defense is no longer able to provide confirmation that a service member killed in the line of duty meets the revised special eligibility criteria after the 2023-24 award year. Further, no comprehensive database exists to identify public safety officers killed in the line of duty. Therefore, students will self-identify potential eligibility on the FAFSA®, and the school will be required to verify eligibility by collecting supporting documentation from the student. Schools will report Special Rule eligibility to the Department using the new FAFSA Partner Portal (formerly FAA Access to CPS Online) to generate an ISIR transaction reflecting the student's eligibility. Schools will award eligible students Max Pell, regardless of SAI. Other aid for these students will be based on their calculated SAI.

Schools will be able to continue awarding funds to students who meet the current IASG or CFH criteria in the new FAFSA Partner Portal. For more information and resources regarding the IASG and CFH process, please review OPE's Q&As about FAFSA Simplification on the [OPE website](#) .

Resources and Contact Information

We recognize that the Act changes foundational aspects of how institutions calculate, award, and disburse federal student aid. We commit to providing resources needed to update institutional policies and procedures, train staff, and prepare students for the changes.

As described above, the Department has already published (and will continue to update) the [2024-25 Draft Student Aid Index \(SAI\) and Pell Grant Eligibility Guide](#), which includes a detailed explanation of the proposed process for calculating SAI and determining eligibility for Federal Pell Grants starting with the 2024-25 Award Year. We have also published the [2024-25 Draft FAFSA Specifications Guide](#), which consolidates all FAFSA-related processing information and guidance into a new, multi-volume resource. Finally, OPE has published Q&As on the [OPE website](#)  and plans to continue updating those Q&As as they receive additional questions from the community.

These and other resources are available on the [FAFSA Simplification Information](#) page on Federal Student Aid's [Knowledge Center](#). To further assist the community with implementation of the FAFSA Simplification changes, the Department will provide additional operational guidance and technical resources in the near future.

You may refer additional questions to the Department using the Contact Customer Support form in [FSA's Partner Connect Help Center](#). To submit a question, please enter your name, email address, topic, and question. When submitting a question related to this DCL, please select the topic "FSA Ask-A-FED/Policy."

We appreciate your continued partnership as we implement these changes.

Sincerely,

Annmarie Weisman
Deputy Assistant Secretary for Policy, Planning, and Innovation
Office of Postsecondary Education

Eligibility for Federal Student Aid

Most students are eligible to receive financial aid from the federal government to help pay for college or career school. Your age, race, or field of study won't affect your eligibility for [federal student aid](#). While your income is taken into consideration, it does not automatically prevent you from getting federal student aid.

To receive federal student aid, you'll need to...

1. Qualify to obtain a college or career school education, either by having a high school diploma or equivalent, or by completing a high school education in a homeschool setting approved under state law.
2. Be enrolled or accepted for enrollment as a regular student in an eligible degree or certificate program
3. Have a valid Social Security number unless you are from the Republic of the Marshall Islands, Federated States of Micronesia, or the Republic of Palau.

In addition you must...

Be a U.S. CITIZEN or U.S. NATIONAL

You are a U.S. citizen if you were born in the United States or certain U.S. territories, if you were born abroad to parents who are U.S. citizens, or if you have obtained citizenship status through naturalization. If you were born in American Samoa or Swains Island, then you are a U.S. national.

OR

Have a GREEN CARD

You are eligible if you have a Form I-551, I-151, or I-551C, also known as a green card, showing you are a U.S. permanent resident

OR

Have an ARRIVAL-DEPARTURE RECORD

Your Arrival-Departure Record (I-94) from U.S. Citizenship and Immigration Services must show one of the following:

- Refugee
- Asylum Granted
- Cuban-Haitian Entrant (Status Pending)
- Conditional Entrant (valid only if issued before April 1, 1980)
- Parolee

OR

Have BATTERED IMMIGRANT STATUS

You are designated as a "battered immigrant-qualified alien" if you are a victim of abuse by your citizen or permanent resident spouse, or you are the child of a person designated as such under the *Violence Against Women Act*.

OR

Have a T-VISA

You are eligible if you have a T-visa or a parent with a T-1 visa.

4. Sign certifying statements on the *Free Application for Federal Student Aid* (FAFSA®) form stating that
 - you are not in default on a federal student loan and do not owe a refund on a federal grant and
 - you will use federal student aid only for educational purposes.
5. Maintain satisfactory academic progress in college or career school.



Start filling out the [FAFSA form](#) at [fafsa.gov](#).

The U.S. Department of Education’s office of Federal Student Aid provides more than \$111 billion in grants, loans, and [work-study](#) funds each year to help pay for college or career school. Visit [StudentAid.gov](#) today to learn how to pay for your higher education.

April 2022

Was this page helpful?^{*}

Submit

