

State Budget Reductions Result in Changes to Cal Grant Program Eligibility and Cuts to Cal Grant Awards

On March 24, 2011, Governor Jerry Brown signed Senate Bill 70 (the education trailer bill) into law. Senate Bill 70 achieves reductions in state spending by changing Cal Grant eligibility requirements for both students and institutions. These changes will affect new and renewal Cal Grant recipients beginning with the 2011-12 academic year.

Specifically, Senate Bill 70 makes the following changes to Cal Grant eligibility:

1. To renew their Cal Grant awards each academic year, Cal Grant recipients will now need to meet maximum income and asset ceilings and a minimum financial need requirement, all of which previously applied only to initial Cal Grant recipients.

All Cal Grant renewal students must complete a Free Application for Federal Student Aid (FAFSA) and meet these new requirements in order to qualify for the renewal of their Cal Grants. The Commission estimates that 12,920 students will be deemed ineligible to renew their Cal Grant awards as a result of these changes.

2. Except for a limited exception described below, initial and renewal Cal Grant recipients will not be able to use their Cal Grant awards at institutions that fail to meet new institutional eligibility standards. SB 70 now requires Cal Grant participating institutions with more than 40 percent of their undergraduate enrollment borrowing federal student loans to have a three-year 2008 Trial Cohort Default Rate (CDR) of less than 24.6% to be eligible for new and renewal Cal Grant awards in the 2011-12 academic year, and less than 30% for each subsequent year. Please note that this new law modifies previous legislation, which did not place any requirements on Cal Grant participating institutions with respect to student loan participation or CDR.

A limited exception allows renewal Cal Grant A and B recipients to continue to use their Cal Grant awards at an ineligible institution if they had been enrolled at the institution in the academic year before the institution became ineligible due to a high CDR, but their Cal Grant maximum award amounts shall be reduced by 20 percent. The Cal Grant B awards of access costs of up to \$1,551 for these renewal Cal Grant B recipients, however, will not be reduced.

The Commission estimates that approximately 5,550 students will either have their Cal Grant awards reduced or will not be able to use their awards at an ineligible institution.

For the 2011-12 academic year, 101 California postsecondary education institutions are not eligible for initial and renewal Cal Grant awards, except for the limited exception described above. The list of ineligible institutions follows:

**Cal Grant Institutions
Ineligible in 2011-12 Due to Senate Bill 70 Cohort Default Rate Requirements**

***Cal Grant Eligible Schools with Over 40% Federal Student Loan Borrowers and
Three-Year Cohort Default Rates Equal to or Over 24.6***

School Code	SCHOOL (CSAC)	TYPE	2008 % of Federal Student Loan Borrowers	2008 Trial 3-Year Cohort Default Rate
03786300	ADVANCED COLLEGE	PROPRIETARY 2 TO 3 YEARS	71%	36.17
02241801	AMERICAN CAREER COLL ANAHEIM	PROPRIETARY 2 TO 3 YEARS	92%	25.97
02241800	AMERICAN CAREER COLL LOS ANGELES	PROPRIETARY 2 TO 3 YEARS	92%	25.97
00884400	CALIFORNIA CHRISTIAN COLLEGE	PRIVATE 4 YEARS OR MORE	80%	37.50
02110800	CALIFORNIA COLLEGE SAN DIEGO	PROPRIETARY 4 YEARS OR MORE	84%	35.14
00974806	CARRINGTON COLLEGE ANTIOCH ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974804	CARRINGTON COLLEGE CITRUS HTS ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974808	CARRINGTON COLLEGE EMERYVILLE ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974802	CARRINGTON COLLEGE PLEAS HILL ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974800	CARRINGTON COLLEGE SACRAMENTO ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974807	CARRINGTON COLLEGE SAN JOSE ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974801	CARRINGTON COLLEGE SAN LEANDRO ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
00974803	CARRINGTON COLLEGE STOCKTON ¹	PROPRIETARY 2 TO 3 YEARS	72%	31.54
03278300	CHARTER COLLEGE-CANYON COUNTRY	PROPRIETARY 2 TO 3 YEARS	50%	39.53
03278301	CHARTER COLLEGE-LANCASTER	PROPRIETARY 2 TO 3 YEARS	50%	39.53
03278302	CHARTER COLLEGE-LONG BEACH	PROPRIETARY 2 TO 3 YEARS	50%	39.53
02332809	CNTR FOR EMPL TRNG-SAN DIEGO	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332808	CNTR FOR EMPL TRNING-GILROY	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332807	CNTR FOR EMPL TRNING-OXNARD	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332814	CNTR FOR EMPL TRNING-RIVERSIDE	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332845	CNTR FOR EMPL TRNING-SACRAMENTO	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332803	CNTR FOR EMPL TRNING-SANTA MARIA	PRIVATE LESS THAN 2 YEARS	44%	31.62
02332800	CNTR FOR EMPLOY TRNG-SAN JOSE	PRIVATE LESS THAN 2 YEARS	44%	31.62
00793000	CONCORDE CAREER INST - SAN DIEGO	PROPRIETARY 2 TO 3 YEARS	81%	25.00
00903200	EMPIRE COLLEGE	PROPRIETARY 2 TO 3 YEARS	45%	28.46
00809000	EVEREST COLLEGE- ALHAMBRA	PROPRIETARY 2 TO 3 YEARS	76%	39.68
00449400	EVEREST COLLEGE -SAN BERNARDINO	PROPRIETARY 2 TO 3 YEARS	79%	46.96
01287302	EVEREST COLL - CITY OF INDUSTRY	PROPRIETARY 2 TO 3 YEARS	72%	44.60
03072300	EVEREST COLLEGE ONTARIO	PROPRIETARY 2 TO 3 YEARS	74%	39.40
02250602	EVEREST COLLEGE - ONTARIO METRO	PROPRIETARY 4 YEARS OR MORE	88%	43.06
03195400	EVEREST COLLEGE TORRANCE	PROPRIETARY LESS THAN 2 YEARS	69%	40.58

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01287301	EVEREST COLLEGE WEST L A	PROPRIETARY 2 TO 3 YEARS	72%	44.60
01110700	EVEREST COLLEGE -ANAHEIM	PROPRIETARY 2 TO 3 YEARS	73%	33.15
01112300	EVEREST COLLEGE -GARDENA	PROPRIETARY 2 TO 3 YEARS	76%	40.44
01112100	EVEREST COLLEGE -HAYWARD	PROPRIETARY 2 TO 3 YEARS	72%	42.77
01110900	EVEREST COLLEGE -RESEDA	PROPRIETARY 2 TO 3 YEARS	76%	37.34
00760600	EVEREST COLLEGE, LOS ANGELES	PROPRIETARY 2 TO 3 YEARS	71%	49.47
01206100	EVEREST COLLEGE-SAN JOSE	PROPRIETARY 2 TO 3 YEARS	68%	40.75
01102400	EVEREST COLL-SAN FRANCISCO	PROPRIETARY LESS THAN 2 YEARS	74%	41.09
03162300	FOUR-D COLLEGE	PROPRIETARY 2 TO 3 YEARS	67%	32.45
03039900	FREMONT COLLEGE	PROPRIETARY 4 YEARS OR MORE	83%	25.35
02338500	GLENDALE CAREER COLLEGE	PROPRIETARY 2 TO 3 YEARS	65%	28.10
00809300	HEALD COLLEGE - FRESNO	PROPRIETARY 2 TO 3 YEARS	84%	32.64
02593300	HEALD COLLEGE STOCKTON	PROPRIETARY 2 TO 3 YEARS	87%	29.18
00853200	HEALD COLLEGE - HAYWARD	PROPRIETARY 2 TO 3 YEARS	88%	26.28
03034000	HEALD COLLEGE SALINAS	PROPRIETARY 2 TO 3 YEARS	85%	25.53
02593200	HEALD COLLEGE MILPITAS ²	PROPRIETARY 2 TO 3 YEARS	88%	27.31
00747700	HEALD COLL-RANCHO CORDOVA	PROPRIETARY 2 TO 3 YEARS	79%	24.80
03067501	INST OF TECHNOLOGY MODESTO	PROPRIETARY 2 TO 3 YEARS	65%	46.40
03067503	INST OF TECHNOLOGY ROSEVILLE	PROPRIETARY 2 TO 3 YEARS	65%	46.40
02128300	INSTITUTE FOR BUSINESS AND TECH	PROPRIETARY LESS THAN 2 YEARS	64%	39.68
03067500	INSTITUTE OF TECHNOLOGY	PROPRIETARY 2 TO 3 YEARS	65%	39.68
03067505	INSTITUTE OF TECHNOLOGY-REDDING	PROPRIETARY 2 TO 3 YEARS	65%	46.40
02321900	ITT TECHNICAL INST ANAHEIM	PROPRIETARY 4 YEARS OR MORE	88%	46.40
02120900	ITT TECHNICAL INST SACRAMENTO	PROPRIETARY 4 YEARS OR MORE	84%	27.52
03087400	ITT TECHNICAL INST TORRANCE	PROPRIETARY 4 YEARS OR MORE	88%	28.27
02291504	ITT TECHNICAL INST LATHROP	PROPRIETARY 4 YEARS OR MORE	88%	34.72
03070400	ITT TECHNICAL INST SAN BERN	PROPRIETARY 4 YEARS OR MORE	89%	27.77

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02291600	ITT TECHNICAL INST SAN DIEGO	PROPRIETARY 4 YEARS OR MORE	87%	32.53
02291500	ITT TECHNICAL INST WEST COVINA	PROPRIETARY 4 YEARS OR MORE	88%	25.45
03044500	KAPLAN COLLEGE PANORAMA CITY	PROPRIETARY 2 TO 3 YEARS	61%	27.77
02351900	KAPLAN COLLEGE SACRAMENTO	PROPRIETARY 2 TO 3 YEARS	64%	29.55
02565400	KAPLAN COLLEGE STOCKTON	PROPRIETARY 2 TO 3 YEARS	63%	28.90
02351901	KAPLAN COLLEGE - BAKERSFIELD	PROPRIETARY 2 TO 3 YEARS	64%	31.36
02306300	KAPLAN COLLEGE SALIDA	PROPRIETARY 2 TO 3 YEARS	63%	28.90
02306302	KAPLAN COLLEGE -FRESNO	PROPRIETARY 2 TO 3 YEARS	63%	25.11
02549000	KAPLAN COLLEGE VISTA ³	PROPRIETARY 2 TO 3 YEARS	61%	25.11
02549005	KAPLAN COLLEGE-PALM SPRINGS	PROPRIETARY 2 TO 3 YEARS	61%	24.93
02312400	LA COLLEGE INTERNATIONAL	PROPRIETARY 4 YEARS OR MORE	63%	24.93
02128301	NATIONAL CAREER EDUCATION	PROPRIETARY LESS THAN 2 YEARS	64%	28.92
00449000	PATTEN UNIVERSITY ⁴	PRIVATE 4 YEARS OR MORE	44%	26.14
03062700	PLATT COLLEGE ALHAMBRA ⁵	PROPRIETARY 4 YEARS OR MORE	80%	28.71
03062701	PLATT COLLEGE ONTARIO	PROPRIETARY 4 YEARS OR MORE	80%	28.71
02120705	SAN JOAQUIN VALL COLL-HANFORD	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02120703	SAN JOAQUIN VALLEY COLL BKSFLD	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02120701	SAN JOAQUIN VALLEY COLL FRESNO	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02120700	SAN JOAQUIN VALLEY COLL VISALIA	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02120704	SAN JOAQUIN VALLEY COLL CUCAMONG	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02120706	SAN JOAQUIN VALLEY COLL-MODESTO	PROPRIETARY 2 TO 3 YEARS	64%	24.63
02577901	SANTA BARB BUS COLL-PALM DESERT	PROPRIETARY 2 TO 3 YEARS	69%	32.07
02577900	SANTA BARBARA BUS COLL BKSFLD	PROPRIETARY 2 TO 3 YEARS	69%	32.07
02578000	SANTA BARBARA BUS COLL SANTA MAR	PROPRIETARY 2 TO 3 YEARS	68%	27.59
00998903	SANTA BARBARA BUS COLL-SANTA BAR	PROPRIETARY 2 TO 3 YEARS	66%	36.12
00998900	SANTA BARBARA BUS COLL-VENTURA	PROPRIETARY 2 TO 3 YEARS	66%	36.12
02120707	SJVC-RANCHO CORDOVA	PROPRIETARY 2 TO 3 YEARS	64%	24.63
03113600	SO CAL INSTITUTE OF TECHNOLOGY	PROPRIETARY 4 YEARS OR MORE	56%	34.22
02559312	UNITED EDUCATION INST-ANAHEIM	PROPRIETARY 2 TO 3 YEARS	94%	37.88

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02559309	UNITED EDUCATION INST-CHULA VISTA	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559310	UNITED EDUCATION INST-EL MONTE	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559300	UNITED EDUCATION INST-HUNTINGTON PARK	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559304	UNITED EDUCATION INST-ONTARIO	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559301	UNITED EDUCATION INST-SAN BERNARDINO	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559303	UNITED EDUCATION INST-SAN DIEGO	PROPRIETARY 2 TO 3 YEARS	94%	37.88
02559305	UNITED EDUCATION INST-VAN NUYS	PROPRIETARY 2 TO 3 YEARS	94%	37.88
03441400	VALLEY CAREER COLLEGE	PROPRIETARY LESS THAN 2 YEARS	48%	36.61
03072700	WESTWOOD COLL OF TECH LA	PROPRIETARY 4 YEARS OR MORE	84%	30.83
00754802	WESTWOOD COLL OF TECH ANAHEIM	PROPRIETARY 4 YEARS OR MORE	88%	25.20
00754803	WESTWOOD COLL OF TECH UPLAND	PROPRIETARY 4 YEARS OR MORE	88%	25.20
01162600	WESTWOOD COLL OF TECH- LNG BCH	PROPRIETARY 4 YEARS OR MORE	87%	29.01
01287300	WYOTECH LONG BEACH	PROPRIETARY 2 TO 3 YEARS	72%	44.60
00719000	WYOTECH- FREMONT	PROPRIETARY 2 TO 3 YEARS	72%	33.39

- 1 Carrington College was formerly Western Career College.
- 2 Heald College Milpitas was formerly Heald Inst of Tech San Jose.
- 3 Kaplan College Vista was formerly Kaplan College North County.
- 4 Patten University was formerly Patten College.
- 5 Platt College Alhambra was formerly Platt College of Los Angeles.

The Commission is presently working on implementing this new legislation. Current and prospective Cal Grant recipients and participating institutions will soon be receiving correspondence from the Commission on how these changes will affect their Cal Grant eligibility.