
9.a **Action/Information Item**

California Student Aid Commission

2007-08 Cal Grant Program Update

Tab 9.a provides an update on the Cal Grant Program award offers for the 2007-2008 award year through November 9, 2007 and includes the status of Cal Grant Program activities.

Commission staff will be available at the meeting to answer questions.

Recommended Action: No action required.

Responsible Staff: Catalina Mistler, Chief
Program Administration & Services Division

Bryan Dickason, Manager
Cal Grant Operations Branch

2007-08 Cal Grant Operations Update

As of November 15, 2007

GPA Verification

GPA upload capability is now in place for 2008 -2009 year GPAs. The Commission will continue to strongly encourage high schools and college to upload GPAs electronically into the WebGrants database. To this end, web based GPA training for high schools has been scheduled for January and February.

The paper version of the 2008 – 2009 Cal Grant GPA Verification Form was posted to the Commission’s website on November 8. The paper form began shipping from the Commission warehouse on November 14.

Even with continuing increases in electronic GPA submissions, the paper version of the GPA form was used by 70,000 students last year. We would assume that the form may always be necessary since students who have attended schools in other states and countries have no access to the Commission’s on-line GPA upload functions.

The 2008-2009 year Cal Grant GPA Verification Form

Individual Cal Grant GPA Verification forms for the March 2, 2008 filing deadline can now be downloaded from the CSAC website at <http://www.csac.ca.gov/doc.asp?id=1177>

To order large number of forms for shipping from the CSAC Warehouse, please use the EdFund school forms and publication ordering system under the schools tab at www.edfund.org. Look for the Cal Grant GPA Verification Form - March 2. - G-4

Please note that March 2, 2008 falls on a Sunday so Cal Grant application materials may be postmarked or electronically submitted through Monday, March 3, 2008.

College Cost Information

Colleges will soon be able to enter their estimated 2008 -2009 cost of attendance information into WebGrants. The Commission uses this information, along with the information from each student’s Free Application for Federal Student Aid (FAFSA) information to determine whether a student has financial need as required in Statute. The 2008 - 2009 award processing will require this information in January so schools have until that time frame to complete their cost information.

Non-term, Nonstandard Term Cal Grant Meeting

The California Student Aid Commission's Grant Advisory Committee (GAC) has been asked to explore creating a better Cal Grant payment delivery and reporting system for students with Cal Grants attending in non-term or non-standard term programs.

Fred Holland from CAPPs who is now a member of the GAC committee has proposed a meeting of interested parties on this subject for the CASFAA conference in December. This will be an informal meeting to gather input on creating a non-standard term payment scheme. The Commission's current Cal Grant payment system pays out four times a year, but students are attending in many different attendance patterns that don't always mesh well with our system.

Persons who have interest should contact Bryan Dickason at CSAC, bryand@csac.ca.gov or (916) 526-8919

2007-08 Competitive Awards

The Commission received and processed more than 191,000 applications for the September 2 Community College Competitive Cal Grant awards. Of that number, the Commission was authorized to award Cal Grants to 11,250 students who met the general Cal Grant A and B eligibility criteria, household status and Competitive scoring criteria.

The Commission began mailing award notifications to students on October 4, 2007. Notifications to ineligible applicants were mailed starting October 11.

2008-09 Fund Your Future Series Publications Available

The award winning Fund Your Future Series of financial aid publications are now available. Schools may order the publications by calling (916) 526-7282 or faxing their request to (916) 526-8838. Publications can also be ordered online at www.csac.ca.gov/doc.asp?id=1072. (Be sure to include your school code with your orders.)

2007-2008 Cal Grant Update New Award Offers By Program

| High School Entitlement (E1) | 2006/07 | 2007/08 | Change | % |
|-------------------------------------|----------------|----------------|---------------|-------------|
| Cal Grant A | 18,680 | 19,132 | 452 | 2.4% |
| Cal Grant B | 45,108 | 46,157 | 1,049 | 2.3% |
| Total | 63,788 | 65,289 | 1,501 | 2.4% |

Status of Program Activities for 2007-2008:

- Mailed G-8 (High School Graduation Self-Certification) forms to all new E1 students
- Processed more than 17,200 paper School Change forms to date

| CCC Transfer Entitlement (E2) | 2006/07 | 2007/08 | Change | % |
|--------------------------------------|----------------|----------------|---------------|---------------|
| Cal Grant A | 3,571 | 1,511 | -2,060 | -57.7% |
| Cal Grant B | 5,110 | 2,658 | -2,452 | -48.0% |
| Total | 8,681 | 4,169 | -4,512 | -52.0% |

Status of Program Activities for 2007-2008:

- More than 9,900 G-6 (Transfer Entitlement Cal Grant Certification) forms were returned
- If no G-6 form is received, prior preliminary award offer is withdrawn

| Competitive (March and September) | 2006/07 | 2007/08 | Change | % |
|--|----------------|----------------|---------------|-------------|
| Cal Grant A | 1,630 | 1,570 | -60 | -3.7% |
| Cal Grant B | 21,941 | 24,120 | 2,179 | 9.9% |
| Total | 23,571 | 25,690 | 2,119 | 9.0% |

Status of Program Activities for 2007-2008:

- Cut-off score for March competitive was set at 153
- Cut-off score for September competitive was set at 158

| Cal Grant C | 2006/07 | 2007/08 | Change | % |
|--------------------|----------------|----------------|---------------|----------|
| Total Cal Grant C | 8,252 | 8,111 | -141 | -1.7% |

Status of Program Activities for 2007-2008:

- Cut-off score was set at 42

| | | | | |
|---------------------------|----------------|----------------|----------------|--------------|
| Total Award Offers | 104,292 | 103,259 | (1,033) | -1.0% |
|---------------------------|----------------|----------------|----------------|--------------|

9.b

Action/Information Item

California Student Aid Commission

2007-08 Specialized Programs Update

Tab 9.b provides an update on the Specialized Programs for the 2007-2008 academic year and the status of program activities.

Commission staff will be available at the meeting to answer questions.

Recommended Action: No action required.

Responsible Staff: Catalina Mistler, Chief
Program Administration & Services Division

Linda Brown, Manager
Specialized Programs Operations Branch

2007-08 SPECIALIZED PROGRAMS UPDATE

LOAN ASSUMPTION PROGRAMS

Assumption Program of Loans for Education (APLE)

Status of Program Activities for 2007-2008:

- 2007 State Budget authorized 8,000 new APLEs, which increased by 600 from FY 2006.
- Institutions, counties and district intern programs continue to submit APLE nominations until the authorized allocations are met or through June 30, 2008.
- Loan assumption payments for approximately 13,000 teachers who taught during the 2006-2007 school year are currently being processed.
- Tracking letters to recently credentialed teachers were mailed out for the 2007-2008 school year.
- 2008-2009 application materials are being updated for February 2008 distribution.

State Nursing Assumption Program of Loans for Education for Nurses in State Facilities (SNAPLE NSF)

Status of Senate Bill 139:

- Senate Bill (SB) 139 was signed by the governor on October 12, 2007.
- SB 139 allows individuals who have already completed an accredited program of professional preparation for licensing as a registered nurse in California to apply for the SNAPLE NSF program.
- Commission staff is required to amend the current SNAPLE NSF regulations and adopt new rules before June 30, 2008.
- Commission staff drafted proposed amended regulations and hosted a stakeholders meeting on October 26, 2007 to review and obtain feedback. Staff will proceed with the regulatory process and present proposed final regulations to the Commission for adoption.

Status of Program Activities for 2007-2008:

- 2007 State Budget authorized 100 new awards.
- 2007-2008 application materials have been updated and are currently on the web for download.
- Tracking letters were sent to 6 current participants to determine enrollment and employment eligibility.

**State Nursing Assumption Program of Loans for Education for Nursing
Faculty (SNAPLE NF)**

Status of Senate Bill 139:

- Senate Bill (SB) 139 was signed by the governor on October 12, 2007.
- SB 139 allows individuals who have already completed a baccalaureate or graduate level degree program in nursing or a field related to nursing to apply for the SNAPLE NF Program
- Commission staff drafted proposed amended regulations and hosted a stakeholders meeting on October 26, 2007 to review and obtain feedback. Staff will proceed with the regulatory process and present proposed final regulations to the Commission for adoption.
- Commission staff is required to amend the current SNAPLE NSF regulations and adopt new rules by June 30, 2007.

Status of Program Activities for 2007-2008:

- 2007 State Budget authorized 100 new awards.
- 2007-2008 application materials have been updated and are currently on the web for download.
- Tracking letters were sent to 62 current participants to determine enrollment and employment eligibility.

SCHOLARSHIP PROGRAM

**Robert C. Byrd Honors Scholarship Program
(Byrd Program)**

Status of Program Activities for 2007-2008:

- The Robert C. Byrd multi-year contract with the State Department of Education has been signed and approved for the 2007-2008 through 2010-2011 fiscal years.
- Staff processed the remainder of fall term payments and is beginning to process winter term payments.
- Staff working on the revision of all application materials for the 2008-2009 academic years for January 2008 distribution to all California high schools.

GRANT PROGRAMS

Child Development Teacher and Supervisor Grant Program (Child Development Grant Program)

Status of Program Activities for 2007-2008

- Staff continue to process payments for 2007-2008 participating students
- Staff has revised application materials for the 2008-2009 academic years and preparing for distribution in January 2008.

Law Enforcement Personnel and Dependents Grant Program (LEPD)

Status of Program Activities for 2007-2008:

- Received 3 new applications.
- Staff is currently revising application materials for the 2008-2009 academic year for spring distribution.

Chafee Foster Youth Grant Program (Chafee)

Status of Program Activities for 2007-2008:

- All 2007-08 fiscal year awards have been awarded for the academic year.
- Any returned funds will be awarded to eligible students not yet awarded. These awards will be processed on a weekly basis.

ScholarShare Trust Awards

Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP) SholarShare Trust Awards

Status of Program Activities for 2007-2008:

- Total of 6,421 participants in the program.
- 288 new students awarded for the 2007-2008 academic year.
- 650 students are eligible to receive 2007 08 SholarshareTrust Award payments and staff continues to processing forms to have funds mailed to campuses.

9.c

Action/Information Item

California Student Aid Commission

Communications Unit Update

The Public Affairs Branch will provide an update on the activities of the Communications Branch.

Recommended Action: For information only. No action is required.

Responsible Staff: Tom Mays, Director
Public Affairs Branch

Bill Madison
Communications Manager

Communications Unit Update

The Communications Unit oversees the Public Awareness Campaign and the Cash for College programs and handles internal and external communications efforts including, but not limited to, media relations, Web site revisions, issuing news releases and producing employee and stakeholder publications.

HIGHLIGHTS OF RECENT ACTIVITIES:

Staff Produced articles for the CASFAA newsletter focusing on removing barriers students and parents face in receiving information on post-secondary education financial aid.

Staff prepared talking points, a briefing document and a PowerPoint presentation for Director Michel to present to the California Chicano/Latino Intersegmental Convocation November 9. The convocation was a great success and:

- The convocation had more than 500 participants;
- Executive Director Michel's presentation focused on the under-representation of Latinos in college and how the Commission's financial aid programs and information helps bridge that gap; and
- The PowerPoint presentation used for the Executive Director is attached.

Communications staff is currently working with IT and other Commission staff to revise the Student Aid Commission's Web site.

- The first phase of the revision is completed, helping the Commission meet state Web site guidelines for departmental home pages and improving its overall appearance.
- Additional appearance and information improvements to links from the Commission's home page are being phased in gradually.

We are working on developing public relations and outreach partnerships with the Burton Foundation, the Wellness Foundation, GEAR UP, First 5 California and ScholarShare. Additionally, staff:

- Worked with the Burton Foundation to produce joint news release (CSAC, Burton Foundation, Wells Fargo and LA Cash for College) and publicity regarding its \$100,000 contribution of cash gift cards for Chafee Grant recipients;
- Wellness Foundation cards are included in the current version of the College Cash Box and have link to their home page on the Cal Grant Web site; and
- Made contact with First 5 California regarding tie-in with ScholarShare and the Commission to get out early college saving message. This partnership will help complement our financial aid, outreach and education efforts for older students.

The Communications Unit also produced collateral material to support the Legislative Briefing Day at the State Capitol November 8:

- Three fact sheets highlighting our financial aid and awareness programs and our partnerships.
- A "Path to Success" flier showing how our awareness programs each serve a unique need and student age group.

California Student Aid Commission

FINANCIAL AID PROGRAMS AT A GLANCE



The California Student Aid Commission administers the Cal Grant program, in addition to a number of smaller grant, scholarship and loan assumption programs that are helping hundreds of thousands of Californians access higher education.

Financial aid often determines whether or not a high school graduate enrolls in higher education. Being offered a Cal Grant has been found to have a powerful, positive impact not only on a student's ability to attend college but also to remain in school. Cal Grant A recipients had a 96.5 percent second-year enrollment rate and Cal Grant B recipients had a second-year enrollment rate of 93 percent, according to a Commission/EDFUND study.

MONEY FOR COLLEGE

Grants and scholarships are free money for college that students do not have to repay.

■ Cal Grants

Cal Grants may be used at any public California college or university, as well as most independent colleges and universities and many career colleges in California:

Cal Grant A provides tuition and fee assistance for students at four-year colleges and requires at least a 3.0 GPA

Cal Grant B provides a living allowance of \$1,551 in addition to tuition and fee assistance beginning with the second-year for students at four- or two-year colleges and requires at least a 2.0 GPA

Cal Grant C provides money for students pursuing a career or technical education and has no minimum GPA requirement

Students must meet financial and eligibility requirements and apply by the application deadline to qualify. High school seniors who meet all the requirements and apply by March 2 of the year they graduate are guaranteed a Cal Grant Entitlement award. The guarantee extends to students who apply by March 2 within one year of graduating or receiving their GED and to eligible California Community College transfer students (Cal Grant Transfer Entitlement awards). All other students must compete for a limited number of Cal Grant Competitive awards.

2007-08 Award Amounts

—up to \$6,636 at a University of California campus

—up to \$2,772 at a California State University campus

—up to \$9,708 at nonpublic colleges

—up to \$3,168 (Cal Grant C) for a career or technical education (\$576 for books and equipment—and up to \$2,592 more for tuition and fees at schools other than California Community Colleges)

■ California Chafee Grant

Students who are or were in foster care and have financial need may qualify for a California Chafee Grant of up to \$5,000 a year for career training or college. The Commission administers this state and federally funded program in partnership with the California Department of Social Services under an Interagency Agreement.

■ Child Development Grant

Students who are pursuing a child development permit, plan to work at a licensed children's center and have financial need may be eligible for a Child Development Grant of \$1,000 (at a California Community College) or \$2,000 (at a four-year college) a year, up to a total of \$6,000. In return, students must work full time at a licensed children's center in California for one year for each year of assistance.

■ Law Enforcement Personnel Dependents Grant

Students who are a dependent or spouse of a California peace officer, firefighter or certain other law enforcement employees who were killed or totally disabled in the line of duty and who have financial need may qualify for this grant. The award amounts are the same as those for Cal Grants.

■ Robert C. Byrd Honors Scholarship

This scholarship provides up to \$1,500 a year for up to four years to academically outstanding high school seniors who show promise of continued achievement in college. Awards are based on grades and SAT or ACT scores and may be used at any accredited college in the country. High schools nominate up to two graduating seniors for this award and the Commission selects the scholarship recipients.

■ GEAR UP Awards

The Commission administers \$2,000 education awards for eligible middle-school students for outstanding student performance under the federal Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). The awards are held in a ScholarShare trust account and earn interest until withdrawn for postsecondary education. GEAR UP recipients are selected by their middle schools and the Commission tracks their progress from middle school through their first year of college.

LOAN ASSUMPTION PROGRAMS

Through loan assumption programs, borrowers in certain careers can get help paying down their student loans.

■ Assumption Programs of Loans for Education

Teachers

Up to \$11,000 of student loan debt will be repaid in return for up to four years of teaching in California in areas where there is a critical teacher shortage through the Assumption Program of Loans for Education, or APLE. For students who agree to teach math, science or special education, an additional \$1,000 will be assumed each year. For those who teach one of these three subjects at a lowest-performing school, another \$1,000 a year will be paid off, for a total of \$19,000. The program has a component for out-of-state teachers who come to California to teach.

Military Personnel

The state's Assumption Program of Loans for Education—National Guard provides up to \$11,000 in loan assumption benefits for Californians who enlist or re-enlist in the National Guard, the state Military Reserve or the Naval Militia for up to four years of service.

■ State Nursing Assumption Programs of Loans for Education

Nursing Faculty

Up to \$25,000 of student loan debt (up to \$8,333 a year for up to three years) may be assumed for nursing students or recent registered nursing program graduates who agree to teach nursing at a California college for up to three years after becoming a nurse under the State Nursing Assumption Program of Loans for Education—Nursing Faculty.

Nurses in State Facilities

Up to \$5,000 a year (up to \$20,000) in student loan debt may be assumed for nursing students and recent registered nursing program graduates who agree to work as a nurse in a state facility for up to four years under the State Nursing Assumption Program of Loans for Education—State Nursing Facility.

■ Public Interest Attorney Loan Repayment Program

The Public Interest Attorney Loan Repayment Program is intended for licensed attorneys who practice or agree to practice in public interest areas of the law in California. Up to 3,000 eligible participants a year may receive up to \$11,000 in loan assumption benefits by providing four years of service. This program is currently not funded.



California Student Aid Commission

OUTREACH PROGRAMS AT A GLANCE



Only 35 percent of California's high school freshmen today enroll in college within four years compared to 53 percent of those among the top states.* Moreover, California ranks 40th among states in the rate of high school seniors who enroll in higher education after graduation. The college-going rate can be viewed as an indicator of society's success in shaping an educated and productive citizenry. Not only does higher education give students an opportunity for a brighter future, but society as a whole benefits if we can remove the roadblocks that prevent them from succeeding.

Committed to reversing this trend, the California Student Aid Commission administers two programs that are boosting the numbers of underrepresented students in higher education by raising academic success and providing information on financial aid opportunities: the California Student Opportunity and Access Program (Cal-SOAP) and the California Cash for College Program.

A third program, the Commission's targeted Cal Grant public awareness effort, reaches out each year to a new population of more than 370,000 graduating high school seniors to increase the numbers who successfully apply for a Cal Grant or other financial assistance. The Commission supplements these outreach programs by planning and participating in financial aid nights and college fairs that reach more than 27,000 high school and middle school students, parents, teachers and counselors with information about ways to pay for postsecondary education and the financial aid application process.

■ CALIFORNIA CASH FOR COLLEGE

California Cash for College is a partnership of high schools, community colleges, universities, regional and local governments and community organizations that assists low-income and first-generation college-bound students and their families to successfully complete the financial aid process. Community workshops are held each year starting in January through the March 2 Cal Grant application deadline at sites throughout the state. The Cash for College workshop series began in 2002 as a pilot program and was funded through the Commission's Student Loan Operating Fund from 2003 to 2007. This October, the Governor signed AB 1540, authored by Assembly Majority Leader Karen Bass and sponsored by the Los Angeles Area Chamber of Commerce. AB 1540 established Cash for College as a legislatively mandated program under the Commission.

For a third year, students who attend a workshop and successfully complete their financial aid applications can apply for a \$1,000 Cash for College scholarship. More than 650 students already have received scholarships and as many as 800 more students will be joining them over the next two years, thanks to the generous funding provided by the College Access Foundation of California.

Leveraged support from the College Access Foundation and local participation of key business, school and civic leaders help generate local awareness, in-kind support and media coverage.

2007 Highlights

- More than 14,000 students attended 420 workshops in 44 counties across California.
- 14,257 workshop evaluations were completed—a 46 percent increase from 2006.
- 86 percent of participants reported they could not have completed the FAFSA on their own or as well without attending the workshop.
- Close to half of the workshop participants are projected to be the first in their family to attend postsecondary school.
- More than half reported that the highest education level completed by either parent is high school or below.
- Nearly 60 percent of attendees reported that the scholarship incentive motivated them to attend the workshop.

■ Cal-SOAP

Cal-SOAP, now in its 29th year, works to raise academic achievement levels to increase the number of high school graduates eligible to pursue postsecondary education and to inform students about financial aid opportunities. The program serves students who are from schools or geographic regions with low college-going rates, students who would be the first in their families to attend college and students who are from low-income families. Cal-SOAP also works with the federal GEAR UP program to identify eligible middle school students for the education awards that students use later for postsecondary education. Cal-SOAP directs state funds to help support 16 consortia statewide. The funds are matched locally by school districts, community colleges, public and independent universities and local community agencies.

Highlights

- Slightly more than 72 percent of Cal-SOAP participants enrolled in a California public college or university after graduation in 2005 compared to the statewide rate of 48.2 percent. In addition, 8.31 percent of Cal-SOAP participants attended independent, career, technical or out-of-state colleges.
- Each year, 200,000 of the state's most disadvantaged students receive academic tutoring, peer mentoring, college access and admissions counseling, test preparation workshops, college tours, financial aid workshops, migrant parent meetings, scholarship research assistance and other student and family support services.

■ Cal Grant Public Awareness Initiative

Students and families learn about Cal Grants and other college financial aid programs and the financial aid application process through a multi-faceted statewide public awareness initiative. The initiative has featured television and radio advertising, interactive Web activities and outreach to all California high schools. Financial aid materials are provided to high school counselors throughout California to help them reach this diverse population. The campaign had previously been funded through the Student Loan Operating Fund, but the Commission will now seek alternative funding.

2007 Highlights

- More than 544,000 Cal Grant applications were submitted by March 2, 2007.
- 4,500 College Cash Box toolkits were distributed to high school counselors statewide.
- The messages reached more than 25 million people on the Internet, more than 30 million on teen radio stations and another 6.5 million on television.
- Through partnerships and corporate support, the \$2 million investment grew into \$4.4 million in added benefits and resources for students and their families and pro-bono media coverage.



California Student Aid Commission

PARTNERSHIPS AT A GLANCE

Tab 9.c.2



The California Student Aid Commission is committed to creating opportunities and exploring new initiatives to achieve its mission *to make education beyond high school financially accessible to all Californians*. Toward this end, the Commission has been partnering with the education community, community-based organizations, professional organizations and private-sector partners, as well as other state agencies, on a number of fronts.

■ EDUCATION COMMUNITY

Commission Advisory Groups

The state's education community is represented on the Commission's advisory groups.

Grant Advisory Committee reviews and provides recommendations to the Commission on proposed or planned program or policy changes, particularly those relating to the administration of Cal Grants. Members represent the higher education segments, students, the California Association of Student Financial Aid Administrators, the California Community College Student Financial Aid Administrators Association, the California Postsecondary Education Commission, K-12 schools, including a high school counselor.

Advisory and Enhancement Work Group provides technical input and recommendations to Commission staff on the development and implementation of processes related to the administration of the Commission's grant programs. It also serves as a venue for schools to address, discuss and provide input to the Commission. Members include representatives of the higher education segments, the Association of Independent California Colleges and Universities, the California Association of Private Postsecondary Schools, the California Association of Student Financial Aid Administrators and the California Community College Student Financial Aid Administrators Association.

Cal-SOAP Advisory Committee makes recommendations to the Commission on policies and programs to increase the participation rates and success of disadvantaged students who enter a postsecondary institution. The Committee consists of representatives of outreach programs of California's public colleges, as well as members representing independent colleges, the California Postsecondary Education Commission, high schools, students and the general public.

Loan Advisory Council reviews the activities and policies of the Federal Family Education Loan Program and advises the Commission of its findings and recommendations. Members include representatives of the lending community, the higher education segments and students.

California Association of Student Financial Aid Administrators

The Commission joins with EdFUND and CASFAA to present workshops each fall for high school counselors. Commission staff have active roles on CASFAA committees and conduct training workshops at CASFAA's annual conference.

California Community College Student Financial Aid Administrators Association

Commission staff participate on CCCSFAAA committees and conduct training workshops at CCCSFAAA's annual conference.

California State University

Commission staff participate in CSU workshops for high school counselors each year.

California Community Colleges

The Commission partners with the California Community Colleges on its student-focused initiative, I Can Afford College, to develop brochures, bus signs and other materials to let students know about the second Cal Grant application deadline of September 2 for community college students.

GEAR UP

The California Education Round Table sponsors the state's GEAR UP program and works with the University of California, the program's fiscal agent. A Commission staff member serves as a member of the GEAR UP Governance Committee.

■ PRIVATE FOUNDATIONS

California Wellness Foundation

The Commission joined forces in 2007 with the Make It In Scrubs public education campaign, funded by a grant from The California Wellness Foundation, to help steer more underrepresented young people to the allied health professions. The Commission's Cal Grant and California Cash for College programs were cross-promoted with the Make It In Scrubs campaign so that those interested in pursuing an allied health career know that there is money available to help them pay for training.

College Access Foundation of California

For a third year, the College Access Foundation of California has funded more than 300 scholarships for students who attend a California Cash for College workshop and successfully complete the Cal Grant application process. More than 650 students already have received scholarships and as many as 800 more students will be joining them.

John Burton Foundation for Children Without Homes

The Burton Foundation has donated more than \$100,000 to further assist students in the California Chafee Grant program.

■ CORPORATE AND COMMUNITY-BASED SPONSORSHIPS

Cal Grant Initiative

To maximize funding to get the word out on Cal Grants and how to apply for them, the Commission partnered with a broad base of corporate sponsors and community- and faith-based organizations. Key corporate sponsors in 2007 included Bank of the West, Food 4 Less, Catholic Healthcare West, Los Angeles County Metro, Blockbuster, Galaxy Theaters, Walgreen's and Univision. Community- and faith-based organizations included key ethnic organizations statewide, such as Goodwill of Southern Los Angeles County, National Council of La Raza, YMCA, Urban League of San Diego, in addition to various community centers, schools, churches and medical centers.

■ OTHER STATE AGENCIES

ScholarShare College Savings Program

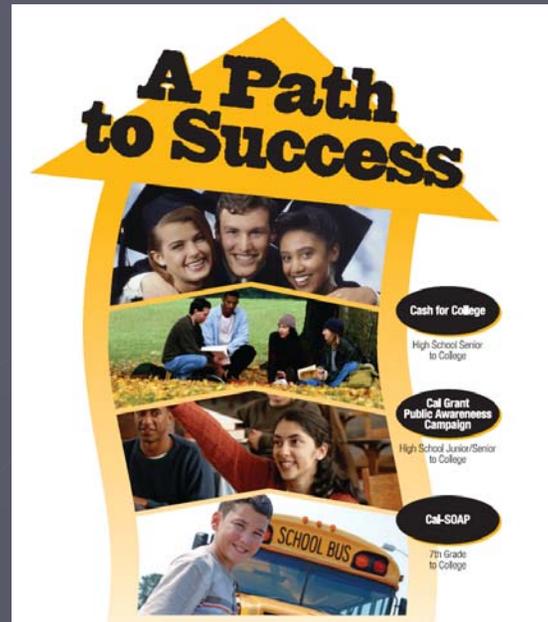
The Commission partners with the ScholarShare program by administering GEAR UP awards. The Commission and the State Treasurer's office, which administers the ScholarShare program, are currently exploring ways to promote ScholarShare, the state's 529 college savings plan, to encourage more families to start saving for college earlier.





College Access and Financial Aid Awareness
Critical Student Programs for College and Career Success

California Chicano/Latino Intersegmental Convocation
November 8-11, 2007
Hyatt Regency San Francisco Airport



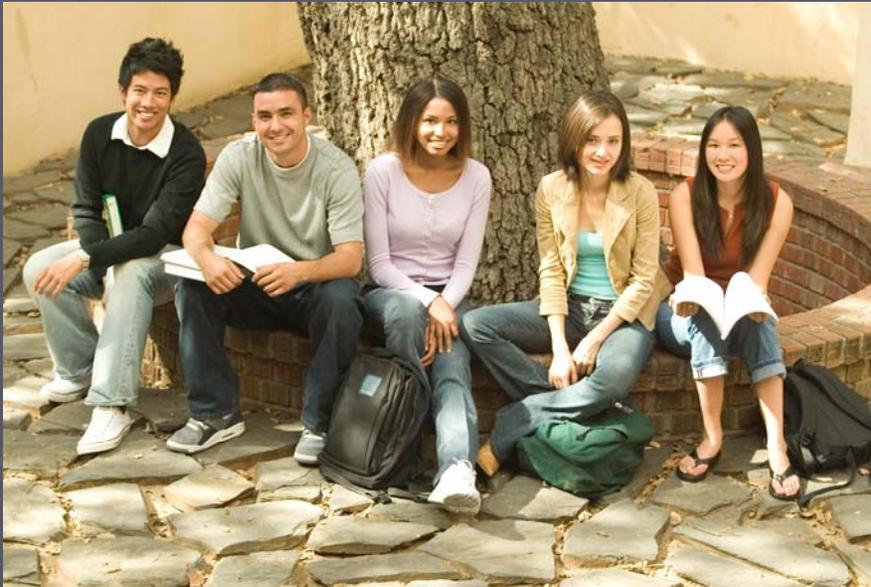
Mission:

“To make education beyond high school financially accessible to all Californians.”

It is the Commission’s hope that through access, students will experience a higher quality of social and economic life which will benefit California and the rest of the world.

www.csac.ca.gov

Our Focus Today



- Low-College Rates in the State: Access and Affordability Challenges
- Latino Students: Under-Represented and Uniformed About Financial Aid and Access
- Student Aid Programs: Financial Aid and Awareness Programs That Offer College and Career Success

College Access and Affordability

- ▶ California Ranks 40th in the Nation in College going Rates
Source: State of Decline: CSU-Sacramento Study (2006)
- ▶ High School Graduates Going to College declined from 61 Percent in 1995 To 52 Percent in 2005
Source: State of Decline: CSU-Sacramento Study (2006)
- ▶ 84 Percent Of Residents Say Affording College Is A Problem
Source: Affordability Challenges, Public Policy Institute of California (November 2007):
- ▶ 68 Percent Of Residents Say State's Economy Will Need A Higher Percentage Of College-educated Workers In 20 Years
Source: Affordability Challenges, Public Policy Institute of California (November 2007):

Latinos Underrepresented

- ▶ "...one of every three Latinos in the nation lives in California and Latinos are especially underrepresented in college." *Source: The Tomas Rivera Policy Institute; June 2006*
- ▶ "Less than 10% of Hispanics have a bachelor's degree..." *Source: National Center for Higher Education Management Systems with Support from the Lumina Foundation for Education; June 2006*

Latino High School Students: Fewer Seek Higher Education

- ▶ In California, 2005-06, more than 165,000 Latino students enrolled in high school.
- ▶ More than 11 percent dropped out of high school, a 4 percent increase in just two years.
- ▶ Of those who graduated, only 43 percent enrolled in higher education.

The Information Divide

- ▶ "38 Percent of the Respondents did Not Feel That the Benefits of College Outweigh the Costs of College"
 - *Source: The Tomas Rivera Policy Institute; June 2006*

- ▶ "About Three-Fourths of Young Adults Not Currently In College Would Have Been More Likely To Attend College If They Were Exposed to Better Information About Financial Aid"
 - *Source: The Tomas Rivera Policy Institute; June 2006*

Financial Aid: A Key to Post-Secondary Education

- **"Finances matter**, especially to low-income students. No matter how well prepared they are, you can't guarantee them access unless you guarantee them financing." *Source: Lumina Foundation Focus. Restricted Access / Increasing financial aid. Summer 2003.*

CSAC: Statewide College Access Cal Grant Opportunities

- ▶ Numerous Cal Grant Opportunities To Meet Today's Challenges In College Access
- ▶ Grants are Portable: Student Flexibility

CSAC: Statewide College Access Other Financial Aid Opportunities

- ▶ Chafee Grants for Foster Youth
- ▶ Loan Assumption Programs

CSAC: Statewide College Access

- Cal Soap for grades 7-12
- Public Awareness Campaign—crafts outreach messages and information
- Cash for College—free in-person assistance
- CalGrants.org-Web site

CSAC: Statewide College Access Starting Early With Cal-SOAP

- ▶ Cal SOAP: College And Financial Aid Prep For Low-income And First Generation 7-12 Graders
- ▶ Individual Assistance Through Peer Mentoring And Tutoring
- ▶ Intersegmental Approach: Encourages Higher Education Of All Types, Including Career Technical Training

CSAC: Statewide College Access Reaching Students, Parents, Schools

- ▶ Public Awareness: Your Ticket to Success
 - Informs Students, Parents, High School Counselors and College Financial Aid Administrators About Cal Grants and Other Financial Aid Opportunities
 - Multi-Media Effort
 - Call to Action
 - Get Involved



CSAC: Statewide College Access Cash for College Workshops

- ▶ Partnership of CSAC, high schools, community college and university campuses, regional partners & communities
- ▶ Line-by-line help on the FAFSA & GPA form
- ▶ Focus on low-income and first-generation seniors and their families
- ▶ \$1,000 scholarships offered—500 statewide

CSAC: Statewide College Access Partnerships

- Commission Program Partnerships
- Institutional & Financial Aid Partners
 - CA Dept of Education, CA Dept of Social Services, CCC Chancellor's Office, Financial Aid Administrators, GEAR UP Trust Awards, ScholarShare
- Additional Partnerships
 - Burton Foundation For Children Without Homes
 - College Access Foundation of California
 - The Wellness Foundation – Make It In Scrubs

Paying for College: Legislative Solutions & Creativity

- ▶ Legislative Analysts Office: High Fees/High Aid Model
- ▶ Master Plan: No Fees Plan
- ▶ Two-Year Free College Plan
- ▶ It's Time for Creative Thinking

Latino Students: A Bright Future

- ▶ Imperative: Working Together So Chicano/Latino Community has Equal Access to Education
- ▶ Use Financial Aid to Pursue Your Passion – Be The Generation That Brings Leadership Back To Our State

Questions and Answers

► Contact Information:

California Student Aid Commission

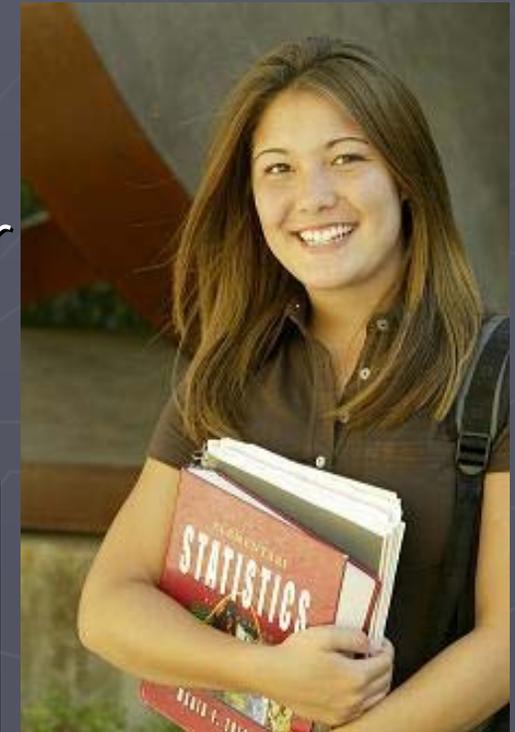
10811 International Drive, 2nd Floor

Rancho Cordova, CA 95670

Phone: (916) 526-8028

Diana Fuentes-Michel, Executive Director

Email: DMichel@csac.ca.gov



A Path to Success



Cash for College

High School Senior to College

Cal Grant Public Awareness Campaign

High School Junior/Senior to College

Cal-SOAP

7th Grade to College

California Student Aid Commission programs and partnerships provide financial aid and vital services that help students progress toward their ultimate goal of an education beyond high school, including career technical training. Our programs are designed not only to help students, but to supply teachers, parents, guidance counselors and high school administrators with tools and information to help students reach their educational goals. Each successive program builds upon the success of the previous one, and provides a step on the path to success.



9.d

Action/Information Item

California Student Aid Commission

Cal Grant Public Awareness Campaign Update

The Public Affairs Branch will provide an update on the 2008-09 Cal Grant Public Awareness campaign.

In September, 2007 Commission and EDFUND staff met with the public relations contractor, Runyon, Saltzman & Einhorn, Inc., to finalize the scope of work and budgets to move forward with the 2008 Public Awareness and the California Cash for College efforts. Highlights of the Public Awareness efforts include:

- Expansion of the “College Cash Crew” concept and support of the Cash for College Ambassador project;
- Preparation for two campaign launch events in key media markets in the State; and
- Selected updates to the Cal Grant materials placed into the College Cash Box.

Recommended Action: For information only. No action is required.

Responsible Staff: Tom Mays, Director
Public Affairs Branch

Cheryl Lenz
Statewide Outreach Coordinator

Cal Grant Public Awareness Campaign Update

The Public Affairs Branch staff is working with Runyon, Saltzman & Einhorn, Inc., on the 2008-09 public awareness campaign that integrates the California Cash for College program on a coordinated effort to drive students to fill out the FAFSA. Campaign planning and development activities began in September, 2007 shortly after the \$2.2 million contract for services was signed.

This year's campaign will continue with the Commission's 2006 award-winning messaging **Cal Grant: Your Ticket to Success** with the tag line, **Cal Grant: Where will it take you?** The continued look and feel of the campaign has allowed the Commission to meet the campaign's objectives and to be on-time with its tight implementation schedule.

Below is an update by category of the campaign:

CREATIVE/COLLATERAL

- The College Cash Box
 - Creative review and approvals completed
 - Distribution of College Cash Box in November to:
 - High School Counselors
 - Financial Aid Administrators at all institutional segments, UC, CSU, CCC and Proprietary and Independent colleges
 - Commissioners
 - Cal-SOAP Directors
 - California Cash for College Regional Coordinators
 - Legislative Capitol Offices and District Offices, as requested
 - 4,500 College Cash Boxes, each containing:
 - Cal Grant and California Cash for College items such as, posters, flyers, PIN card, Fund Your Future series, Q&A sheet, Tips sheet, Cal Grant C flyer, Top 10 List for Students, Top 10 List for Parents both lists in English and Spanish and a Cal Grant plastic banner to display
 - WebGrants training DVD to help high school counselors upload GPA Verification forms electronically, FAFSA DVD in English and Spanish and a materials CD to duplicate items in the box
 - Scripts and newsletter templates for high school student body leaders or high school counselors' use
 - FAFSA PIN Flyer, (Personal Identification Number)

- Created in conjunction with California Cash for College and Cal-SOAP members to provide students and parents with an easy way to keep track of PINS leading up to the application deadline.
 - Designed with tear-away feature to retain PIN in wallet or confidential location
 - Very popular; 130,000 printed and distributed within 1 month
 - Reprinted 100,000 to meet demand
- Pathway Flyer
 - Developed to represent the Commission's college access programs that help students, parents, teachers, high school counselors and financial aid administrators reach out to students of all ages
 - Displays the successive programs that build upon each other

PUBLIC AND MEDIA RELATIONS ACTIVITIES

- Key Messaging
- Key Messages
 - Under development
 - Review of current reports on access to education
- Upcoming Press Events – Two in the works
 - Launch event, Sacramento (Northern California)
 - Tuesday, January 8, 2008 (High school to be determined)
 - Planning in process
 - Los Angeles (Southern California)
 - Dates under consideration
 - Wednesday, February 6, 2008
 - Thursday, February 7, 2008
 - Friday, February 8, 2008
- College Cash Crew
 - Captains status – nominations have been received, interviews in early December
 - 3 Captains to be selected
 - Media training in December
 - Ambassadors status – request for nominations sent out
 - Nomination deadline 11/30/07, selection in December

- Media training in December
- Partnership
 - Distribution of materials to existing partners Nov/Dec
 - Contact with potential new partners Nov/Dec

MEDIA

- Call-in Events
 - KCRA Call 3 event scheduled for Wednesday, January 23, 2008, Sacramento
 - All day event, on air, 5:00 a.m. to 7:00 p.m.
 - Univision 34 – A Su Lado – scheduled for Wednesday, January 30, 2008, Los Angeles
 - Evening event, on air, 5:00 p.m. to 11:00 p.m.
 - Univision Fresno call in event – TBD
- Media Plan
 - Television and radio buys in Nov/Dec
 - Teen buy seven-eight weeks (Jan – Feb)
 - Adult buy – three weeks(end of Feb)
 - Digital internet - under review, buys in Nov/Dec

RESEARCH

- UC ACCORD
 - Priority School report received in November. Report provides list of most at-risk schools to use in our marketing and outreach efforts
- Research
 - Campaign evaluation plan will be finalized in December.
 - Project will focus on the best way to reach students who do not complete the application process or who do not apply

9.e

Information Item

California Student Aid Commission

California Cash for College Program Update

The Public Affairs Branch will provide an update on the California Cash for College Program. A written update is enclosed in this Tab Item.

Recommended Action: For information only. No action needed

Responsible Staff: Tom Mays,
Public Affairs Director

Despina Costopoulos
Statewide Coordinator

California Cash for College Program Update

ONLINE REGISTRATION OF CASH FOR COLLEGE WORKSHOPS IS NOW OPEN

Campuses, high schools and community groups can visit the Organizer pages of the www.calgrants.org website to register 2008 workshops, order materials and access tools to assist them in conducting their activities. 2008 workshops will be posted online to the Workshop Locator page at www.calgrants.org by the end of November so students and parents can find a location nearest to them. More than 130 workshops have been registered to date.

PIN REGISTRATION ACTIVITIES

The Cash for College program provided funding and worked with the Public Awareness Campaign to re-design and print 130,000 new "PIN" cards, designed to encourage students to maintain a record of their Personal Identification Numbers, or "PINs". The Cash for College Program also supported pilot efforts across the state to encourage early application of student and parent PINs in advance of applying for financial aid. The PIN campaign is in direct response to data collected and reported from the regional and statewide exit survey results from Cash for College workshops in 2007, where more than 20 percent of students who did not complete their FAFSAs at workshops indicated they did not have a PIN. Students must have and use a PIN in order to access and complete the important form.

More than 20,000 PIN cards have been disseminated for use in local Cash for College PIN registration efforts. At a major college fair in Redding, students were offered information, assistance and an incentive to apply for a PIN. Students who applied for a PIN were entered to receive portable computer flash drives imprinted with the federal FAFSA website and the Cal Grant website to encourage students.

At the Los Angeles Cash for College, College and Career Convention, a PIN application break-out session was piloted. About 20 computers were set up to help students apply for PINs during the two-day convention. It is estimated that nearly 10 percent of the convention attendees visited the PIN room and 400 students successfully applied for a PIN. In the Inland Empire, Crafton Hills College is piloting specific PIN registration workshops in priority area high schools. While the San Diego area fires resulted in cancelation of major high school senior outreach fairs, PIN application workshops are currently being held at priority high schools.

9.f

Action/Information Item

California Student Aid Commission

California Student Opportunity and Access Program (Cal-SOAP) Update

At its September meeting, the Commission acted to implement the provisions of the final 2007-08 State Budget, which was enacted on August 24, 2007. The General Fund appropriation for the Commission's California Student Opportunity and Access Program (Cal-SOAP) was reduced by \$2.2 million to \$6.3 million for the 2007-08 budget year.

Specifically, the Commission took action to reduce the 15 projects' 2007-2008 budgets and to provide \$131, 250 to reestablish the Solano area Cal-SOAP.

Attached is an update on the current program activities.

Recommended Action: None Required

Responsible Staff: Tom Mays, Director
Public Affairs Branch

Kim Taylor, Manager
Outreach Unit

California Student Opportunity and Access Program (Cal-SOAP) Update

MOVING FORWARD DESPITE RECENT REDUCTION

Cal-SOAP projects were required to update and adjust their Annual Program Plans to accommodate the statewide budget reduction before the contracting process could proceed. Thirteen projects have submitted their updated plans and Commission staff has sent contracts out to the consortia. (San Francisco and Los Angeles program directors have indicated their plans are forthcoming.) After obtaining signatures from consortia representatives, the contracts will be returned to the Commission and then forwarded to the Department of General Services for final approval. We expect to have contracts in place by the first week of December.

SOLANO AREA UPDATE

This year, the Commission issued a Request for Proposal (RFP) to reestablish Cal-SOAP services in the Solano area. Regional partners have collaborated and submitted a proposal to form a new consortium and implement a new Cal-SOAP project in the region. The proposed consortium includes: Dixon, Fairfield-Suisun, Vacaville and Vallejo Unified School Districts, University of California at Berkeley and Davis, Community Colleges at Solano and Napa Valley, California Maritime Academy and CSU East Bay, and the Hispanic Chamber of Commerce, Mt. Calvary Baptist Church and the Tri-City NAACP. After review of the Solano proposal, staff expects to make a recommendation to the Executive Director by November 16 on whether to proceed with awarding a planning grant. Assuming the new regional group is successful in receiving a planning grant, it will be tasked with creating a new consortia and revising its scope of work by April 2008.

ALLOCATION METHODOLOGY

The Cal-SOAP project director data committee and CSAC staff met on October 23, 2007 at the South County (Gilroy) Cal-SOAP to discuss future data needs for the program as well as new allocation methodology strategies. Staff will continue to work with the project director's to develop a new process for allocating Cal-SOAP funds in the future. In addition to project director input we will present the issue to the Cal-SOAP Advisory Committee and seek its input. Staff will present the results of its discussions, as well as an implementation plan for changing the funding process for Cal-SOAP, at the next scheduled Commission meeting.

CAL SOAP ADVISORY COMMITTEE

New members were appointed to the Cal-SOAP Advisory Committee. The State Superintendent of Public Instruction, Jack O'Connell, appointed Dr. Steven Fischer to fill one vacancy and the State Senate Rules Committee appointed Angela Acosta to fill their vacancy on the committee. Despite these two welcome additions to the committee, three vacancies remain. The three vacancies include the Commission's representative, a representative for the Speaker of the State Assembly, and a student representative for California Postsecondary Education Commission (CPEC), a recently vacated position. Commission staff continues to work with appointing authorities to fill these vacancies.

Tab 9.f.1

The Cal-SOAP Advisory Committee is tentatively scheduled to meet on December 5, 2007. We hope a quorum of members will attend and allow us to move forward with obtaining the committee's input on critical program matters. The Project Directors are scheduled to meet on December 4 and will continue discussion on a new funding allocation methodology.

9.g

Action /Information Item

California Student Aid Commission

Update on Grant Delivery System Improvements – Phase II

In fiscal year 2006-07, the Commission received authorization to begin the Grant Delivery System (GDS) Service Oriented Enhancements Project. These enhancements were to be accomplished in two phases. Phase I covered restructuring the database, provided the core changes needed to implement real time transactions, and moved WebGrants to a more robust and secure technological environment. These structural changes are currently in production. Phase II covers system improvements that will utilize the real time capabilities that were prepared for Phase I by integrating the structural changes from Phase I to support WebGrants real time transactions. It also provides five scalable Web Services interfaces so that schools can automate the transfer of data between our systems. Phase I has been implemented and Phase II scheduled completion date is October 4, 2008.

A Commission advisory committee has been established for this project to ensure that the Commission gathers the requirements and needs of the schools, institutions and students. The advisory committee currently has thirty-nine members and has held three meetings. Advisory committee membership is still open and new members are encouraged to join the committee and participate. The scope of the advisory committee is to: (1) develop and finalize a committee charter, (2) define terminology for the members and (3) identify the requirements for the web services to be provided within the approved FSR scope and schedule.

Phase II of the approved project will provide all schools with an enhanced capability to acquire, update, and reconcile grant information in real time using WebGrants. It will also provide real time information to students on their awards and payments. It also includes real time updates and information retrieval using five scalable Web Services that will provide a new generation interface for automated data exchange between systems.

The GDS system will continue to support all current services provided to the participating institutions such as the batch uploads and down loads via WebGrants. The project is designed to deliver a system that meets the wide diversity of technology needs presently existing at schools as well as provide a road map to future uses and needs of students and participating institutions. The project is also designed to strategically align our system with the US Department of Education who is also moving toward web services technology. The Web Services being offered by Phase II will be designed to meet long standing requests from larger schools for automated transfer of data between systems and provides a bridge for

the use of this technology at all schools in the future. Commission staff understands that many smaller schools do not have the technical support or budget to alter their systems to fully utilize web services. Through the advisory committee, we will be working with those schools to identify potential alternatives and solutions for schools who cannot directly utilize the web services solution with their Financial Aid Management System (FAMS). We will also provide the specifications and requirements identified by advisory committee to interested FAMS vendors to incorporate the new Web Services capabilities in their systems. Once these initial web services are provided, there is potential for all schools to use or extend these services in innovative and effective ways.

The anticipated changes to our Grant Delivery System will increase our online flexibility, provide quicker turnaround from inputs to results, and give stakeholders more direct access to their information. For schools and institutions, this project means a greater ability to integrate with participating postsecondary financial aid management systems and high school student information systems. Staff will provide an oral update of the project status.

Responsible Staff: John Bays, Chief
Information Technology Services Division

Debi Jackson, Project Manager
Information Technology Services Division

9.h

Action/Information Item

California Student Aid Commission

Update on State and Federal Issues and Legislation Affecting the Commission

This agenda item will provide; 1) an update on state issues and legislation, and 2) an update on federal activity and a summary of bills federal bills including proposals related to the reauthorization of the Higher Education Act.

Recommended Action: No action is required. Staff will provide a brief oral update on any significant changes that occur prior to the Commission meeting.

Responsible Staff: Steve Caldwell, Chief
Governmental and Public Affairs
Division

Darrine Distefano, Legislative Liaison
Governmental and Public Affairs
Division

Ann Shimasaki, Legislative Liaison
Governmental and Public Affairs
Division

STATE ISSUES AND LEGISLATIVE UPDATE

The Governor signed 750 bills and vetoed 214 during the first half of the 2007-08 legislative session. There were no bills that remained on his desk by the deadline of October 14th. Bills that were not signed or vetoed by the Governor, but remained on his desk as of the deadline, would have become law without his signature. To check the status of state bills, log on to www.leginfo.ca.gov, click on the "Bill Information" link and enter the bill number in the search box. Statutes take effect on January 1st, 2008, unless otherwise indicated. The Legislature will reconvene on January 7, 2008 for the second half of the 2007-08 legislative session.

At the April 19th Commission meeting, the Commission took positions on five bills: SB 160, AB 175, AB 302, AB 1540, and AB 1578. AB 1540 – The Cash for College Program was signed by the Governor. AB 1578 – The Foster Youth Higher Education Act is a two-year bill and will be heard again in January. SB 160 – The CA Dream Act remained in committee, however portions of this legislation were placed into SB 1 (Cedillo) that was vetoed by the Governor. Although AB 175 and AB 302 did not pass out of the house of origin by June 8th as required, the subject matter contained in these bills will most likely be seen in another bill during the second half of the session.

Staff has also included a brief description of all other bills that were introduced during the first half of the session.

Signed and Vetoed Bills

AB 1540

AUTHOR: Bass (D)

TITLE: Student Financial Aid: Cash for College Program

INTRODUCED: 02/23/2007

ENACTED: 10/14/2007 Chapter 741

Summary: This law expresses the intent of the Legislature that California students with financial need be made aware of the opportunities afforded to them through the various state and federal financial aid programs. This law establishes the Cash for College Program under the administration of the Student Aid Commission.

Status: 10/14/2007 Signed by the Governor.

Commentary: 06/01/2007 amendment removed the appropriation language.

Commission Position: SUPPORT IF AMENDED to move funding from the Student Loan Operating Fund to the General Fund (based on the March 23rd version).

SB 1

AUTHOR: Cedillo (D)

TITLE: Student Financial Aid: Dream Act

INTRODUCED: 12/04/2006

VETOED: 10/13/2007

Summary: This bill would amend the Donahoe Higher Education Act to require the Trustees of the California State University and the Board of Governors of the California Community Colleges, and request the Regents of the University of California to establish procedures to enable persons who are exempt from paying nonresident tuition to be eligible to receive student aid awards from private entities that are administered by these segments. This bill would also provide that persons meeting these requirements, or who meet equivalent requirements adopted by the Regents of the Universities of California, are eligible to apply for, and participate in, any student financial aid program, excluding the Cal Grant Competitive Program, administered by the State of California to the full extent permitted by federal law.

Status: 10/13/2007 Vetoes by the Governor.

Commentary: The Governor vetoed SB 1. The veto message included the following statement: "At a time when segments of California public higher education, the University of California and the California State University, are raising fees on all students attending college in order to maintain the quality of education provided, it would not be prudent to place additional strain on the General Fund to accord the new benefit of providing state subsidized financial aid to students without lawful immigration status. Under existing law, undocumented students, who meet the required criteria, already qualify for the lower in-state tuition rate while attending California public colleges and universities."

SB 45

AUTHOR: Perata (D)

TITLE: Private Postsecondary Education

INTRODUCED: 12/22/2006

ENACTED: 10/13/2007 Chapter 635

Summary: This law extends the provisions of the Private Postsecondary and Vocational Education Reform Act of 1989 until July 1, 2008. Each matter, pending before the Bureau for Private Postsecondary and Vocational Education is deemed to remain pending before the bureau or a successor agency as of a specified date, irrespective of any applicable deadlines. This law continues the Private Postsecondary and Vocational Education Administration Fund and the Student Tuition Recovery Fund. This law also establishes the Bureau of Private Postsecondary Education in the Department of Consumer Affairs.

Status: 10/13/2007 Signed by the Governor.

Commentary: SB 45 law extends the provisions of AB 1525 (Cook, Ch. 67, Stats. 2007). AB 1525 provisions were to be repealed on February 1, 2008. Extending the repeal date by five months would allow the Legislature to pass the Private Postsecondary Education Act of 2007 (either SB 823 Perata or AB 1182 Niello) that replace the Private Postsecondary and Vocational Education Reform Act of 1989.

SB 89

AUTHOR: Senate Budget & Fiscal Review Committee

TITLE: Student Aid and Loan Guarantee Program

INTRODUCED: 01/17/2007

ENACTED: 08/24/2007 Chapter 182

Summary: This law authorizes the Director of Finance to act as the state's agent in the sale of the student loan guarantee portfolio and certain related assets and liabilities of the program not retained by the Student Aid Commission. This law authorizes the director to consummate other transactions to maximize the value of the program to the state. This law requires sale funds to be deposited into the General Fund. This law appropriates funds to the director for obtaining professional advice and counsel related to the sale.

Status: 8/24/07 Signed by the Governor.

SB 91

AUTHOR: Senate Budget & Fiscal Review Committee

TITLE: Student Financial Aid

INTRODUCED: 01/17/2007

ENACTED: 08/24/2007 Chapter 184

Summary: This law repeals provisions of existing law relating to the establishment and operation of the auxiliary organization and the state's participation in the federal Family Education Loan Program. The provisions of this law would only be effective if the Director of Finance makes a notification that specified occurrences, related to either the sale of the state Student Loan Guarantee Program assets or a transaction with a transferee guarantee program operator have been consummated and 30 days lapse after the receipt of the notice.

Status: 08/24/2007 Signed by the Governor.

SB 139

AUTHOR: Scott (D)

TITLE: Nursing Education

INTRODUCED: 01/25/2007

ENACTED: 10/12/2007 Chapter 522

Summary: This law disallows a person who is currently employed as a registered nurse in a state-operated 24-hour facility from entering into an agreement for the State Nursing Assumption Program of Loans for Education (SNAPLE). This law also establishes additional criteria for nurses under SNAPLE and State Nursing Facilities APLE.

Status: 10/12/2007 Signed by the Governor.

Two Year Bills

AB 111

AUTHOR: Blakeslee (R)

TITLE: National Guard Assumption Program of Loans for Education

INTRODUCED: 01/08/2007

LAST AMEND: 06/20/2007

LOCATION: Senate Appropriations Committee

Summary: This bill would change the sunset date for the National Guard Assumption Program of Loans for Education from July 1, 2007 to July 1, 2010 and would repeal the program on January 1, 2011. This bill deletes a condition for eligibility for loan assumption that the applicant be enrolled in an institution of higher education or a vocational diploma program that participates in the program. This bill provides financially needy are not given priority when funding is insufficient. This bill has an urgency clause to make the provisions effective immediately upon enactment.

Status: 07/02/2007 In Senate Appropriations – Suspense File.

AB 171

AUTHOR: Beall (D)

TITLE: Assumption Program of Loans for Education for Public Interest Law

INTRODUCED: 01/23/2007

LAST AMEND: 07/03/2007

LOCATION: Senate Appropriations Committee

Summary: This bill would establish the Assumption Program for Loans for Law in the Public Interest as a loan assumption program for licensed attorneys who meet certain eligibility criteria. This bill would create a program account in the state Treasury that would consist of funds appropriated by the Legislature and private contributions to the program. This bill would require an annual report on the program.

Status: 07/03/2007 In Senate Appropriations.

Commentary: The 2007-08 Budget Bill contains an appropriation for \$100,000 and one position for the Commission to implement the program.

AB 359

AUTHOR: Karnette (D)

TITLE: Student Financial Aid: Assumption Program

INTRODUCED: 02/14/2007

LAST AMEND: 06/01/07

LOCATION: Senate Education Committee

Summary: This bill specifies that persons who are pursuing service credentials utilized in special education, or who participate in specialist speech-language pathologist trainee programs, or become employed as speech-language pathologists, are eligible to receive loan assumption benefits under the Assumption Program of Loans for Education.

AB 1059

AUTHOR: De Leon (D)

TITLE: Child Care Personnel

INTRODUCED: 02/23/2007

LAST AMEND: 06/01/2007

LOCATION: Senate Education Committee

Summary: This bill expresses the intent of the Legislature that up to 400 new grants are awarded under the Child Development Teacher and Supervisor Grant Program each year. It would raise the maximum level of the grants for each academic year if the participant is enrolled in a 4-year institution and a specified amount for each academic year if the participant is enrolled in a community college.

Status: 06/14/2007 Held in Senate Education.

Commentary: 06/01/07 amendments removed the Pre-Kindergarten Assumption Program of Loans for Education language and eligibility of persons working at a child care center that contracts with the State Department of Education to receive grants under the Child Development Teacher and Supervisor Grant Program. This bill is a two-year bill.

AB 1182

AUTHOR: Niello (R)

TITLE: Private Postsecondary Education Act of 2008

INTRODUCED: 02/23/2007

LAST AMEND: 09/07/2007

LOCATION: Assembly Education Committee

Summary: This bill would recast and revise a former act as the State Private Postsecondary Education Act of 2008. This bill would establish the Bureau for Private Postsecondary Education. This bill would continue the existence of the Private Postsecondary and Vocational Education Administration Fund which would be renamed, and the Student Tuition Recovery Fund. This bill would provide that certain violations of the new act would be punishable as infractions.

Status: 09/07/2007 In Assembly Education Committee.

AB 1578

AUTHOR: Leno (D)

TITLE: Foster Youth Higher Education Preparation Act

INTRODUCED: 02/23/2007

LAST AMEND: 04/26/2007

LOCATION: Senate Appropriations Committee

Summary: This bill would establish the Competitive Grant Program for the purpose of providing comprehensive support on college and university campuses to students who are former foster youth. This program will be administered by the Superintendent of Public Instruction.

This bill also would allow new Cal Grant B recipients that are former foster youth to be awarded tuition and fees in their first year of attendance at a postsecondary institution.

Status: 07/12/2007 In Senate Appropriations.

Commission Position: Support

SB 673

AUTHOR: Scott (D)

TITLE: Assumption Program of Loans for Education

INTRODUCED: 02/23/2007

LAST AMEND: 07/11/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill provides that a credentialed teacher teaching in a public school that has been ranked in decile 1 or 2, as measured by the Academic Performance Index, and who has not otherwise participated in the Loan Assumption Program, is eligible to enter into an agreement for loan assumption. This bill requires the Commission to develop and adopt regulations for the implementation of this provision.

Status: 07/11/2007 In Assembly Appropriations.

SB 823

AUTHOR: Perata (D)

TITLE: Private Postsecondary Education

INTRODUCED: 02/23/2007

LAST AMEND: 08/20/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill would recast, revise, and reenact the provisions of the Private Postsecondary and Vocation Education Reform Act of 1989 as the Private Postsecondary Education Act of 2007. This bill would establish the Board for Private Postsecondary Education in the Department of Consumer Affairs. This bill would also continue the existence of the Private Postsecondary and Vocational Education Administration Fund and the continuously appropriated Student Tuition Recovery Fund.

Status: 08/30/2007 In Assembly Appropriations.

Commentary: This bill does not contain provisions that require financial aid directors or officers to possess a certification of completion of financial aid training certified by the Commission. The Commission training ensures that the disbursement of federal and state student financial aid is carried out appropriately.

SB 890

AUTHOR: Scott (D)

TITLE: Pupils: Early College Commitment Program

INTRODUCED: 02/23/2007

LAST AMEND: 08/20/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill establishes the Early College Commitment Program. This bill relates to pupils who are eligible for free and reduced price meals. This bill requires participating school districts to provide college information and college preparation events targeted towards pupils who sign pledge cards.

Status: 08/30/2007 In Assembly Appropriations.

Commentary: This bill would require the Commission to provide support services as needed in coordination with local school districts and work in consultation with the Superintendent of Public Instruction to develop materials for the program.

Because this bill does not directly impact the Commission's programs and operations, Commission staff is watching this bill as it moves through the Legislature.

**Bills Held In Committee
Including Bills with Commission Support Positions**

AB 175

AUTHOR: Price (D)

TITLE: Cal Grant B Awards: Access Costs

INTRODUCED: 01/23/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill requires the maximum award for Cal Grant B access costs, beginning in the 2008-09 award year, to be in an annual amount that equals at least \$1,551.

Beginning with the 2009-10 award year, this bill would require the maximum award for access costs to be increased by not less than 5 percent and not more than 10 percent per year until that amount equals at least 20 percent of the access costs for the budget category of a student living off-campus, as determined by the triennial Student Expense and Resource Survey (SEARS), as adjusted between survey years for Consumer Price Index changes in a specified manner.

Status: 05/31/2007 Held in Assembly Appropriations.

Commentary: While the general cost of living and the cost of college textbooks and supplies have increased dramatically, the Cal Grant B Access Grant has not increased since 2000-01 when it was increased by 10 percent from \$1,410 to \$1,551. This bill would set the \$1,551 as the base amount for the access grant and codifies a formula to increase the access grant annually.

Commission Position: Support

AB 302

AUTHOR: De La Torre (D)

TITLE: Cal Grant B Entitlement Awards

INTRODUCED: 02/09/2007

LAST AMEND: 03/15/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill allows tuition and fees for a Cal Grant B award to be paid in the first year of enrollment at an eligible institution.

Status: 05/31/2007 Held in Assembly Appropriations.

Commentary: Cal Grant B students are the most financially needy Cal Grant students. The Commission has advocated for this in the past and it is consistent with the stated legislative principles as well as the Commission's mission to make education beyond high school financially accessible to all Californians. Providing the maximum Cal Grant assistance provides access and choice to students with maximum financial need during a period of potential continued double-digit increases in the cost of higher education.

Commission Position: Support

AB 883

AUTHOR: Dymally (D)

TITLE: Student Financial Aid: Assumption Program for Loans

INTRODUCED: 02/22/2007

LAST AMEND: 04/25/07

LOCATION: Assembly Appropriations Committee

Summary: This bill would establish a pilot loan assumption program for interns and teachers who are qualified for participation under Assumption Program of Loans for Education and who agree to teach full time in the Compton Unified School District. This bill requires the granting of priority to applicants who are concentrating in mathematics, science, or special education or who agree to teach full time in a school ranked in decile 1, 2, 3, or 4 on the Academic Performance Index.

Status: 05/31/2007 Held in Assembly Appropriations.

AB 1267

AUTHOR: Feuer (D)

TITLE: Civic Service: Loan Assumption Program

INTRODUCED: 02/23/2007

LAST AMEND: 04/10/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill would establish the Civic Services Loan Assumption Program and under the administration of the Student Aid Commission that provides state residents enrolled at a campus of the University of California or the California State University would be eligible to enter into an agreement for student loan assumption to be redeemed after a qualifying period of civic service, or services as a volunteer.

Status: 05/31/2007 Held in Assembly Appropriations.

AB 1522

AUTHOR: Brownley (D)

TITLE: Student Financial Aid

INTRODUCED: 02/23/2007

LAST AMEND: 04/10/2007

LOCATION: Assembly Higher Education Committee

Summary: This bill would require the Student Aid Commission to develop and make available a software program, for use by potential applicants, to facilitate identifying and applying for institutional, state, and federal student aid programs for postsecondary education.

Status: 04/10/2007 Held in Assembly Higher Education.

AB 1652

AUTHOR: Lieber (D)

TITLE: Student Financial Aid

INTRODUCED: 02/23/2007

LAST AMEND: 04/24/2007

LOCATION: Assembly Appropriations Committee

Summary: This bill requires professional associations representing of the state student financial aid and lending communities to report to the Assembly Committee on Higher Education and Senate Committee on Education on the ethical standards that are currently in place, additional standards that should be instituted, including any recommendations for disclosure requirements and enforcement mechanisms.

Status: 05/31/2007 Held in Assembly Appropriations.

SB 160

AUTHOR: Cedillo (D)

TITLE: Student Financial Aid: California Dream Act

INTRODUCED: 01/30/2007

LAST AMEND: 05/24/2007

LOCATION: Senate Appropriations Committee

Summary: This bill enacts the California Dream Act. This bill requires that a person (AB 540 student) who has attended and graduated from secondary school, rather than high school, in the state is exempt from paying nonresident tuition at the Community Colleges and the CSU. This bill allows persons attending and graduating from technical schools and adult schools to be included within the scope of this provision. This bill would also provide that persons meeting these requirements, or who meet equivalent requirements adopted by the Regents of the Universities of California, are eligible to apply for, and participate in, any student financial aid program administered by the State of California to the full extent permitted by federal law.

Status: 05/31/2007 Held in Senate Appropriations.

Commentary: Senator Cedillo also authored SB 160 in the 2005-06 session which also would have enacted the California Dream Act. The Governor vetoed SB 160. The veto message included the following statement: *"While I do not believe that undocumented children should be penalized for the acts of their parents, this bill would penalize students here legally by reducing the financial aid they rely on to allow them to go to college and pursue their dreams."*

Commission Position: Support

SB 481

AUTHOR: Runner (R)

TITLE: Student Loan Assistance

INTRODUCED: 02/22/2007

LOCATION: Senate Education Committee

Summary: This bill creates the Public Safety Incentive Program to assist licensed attorneys who practice or agree to practice law as a prosecutor or a public defender with loan assistance. This bill would also create the Public Safety Incentive Account within the State Treasurer's office for all program funds appropriated.

Status: 02/28/2007 Held in Senate Education.

Commentary: This bill would allow up to \$40,000 in a loan assumption program to be administered by the Commission. This program, although similar to the APLE, is a separate program that requires the applicant to pay back any benefits received should the applicant involuntarily separate before the five year period of service required.

SB 595

AUTHOR: Alquist (D)

TITLE: Student Financial Aid: Ortiz-Pacheco Cal Grant Program

INTRODUCED: 02/22/2007

LOCATION: Senate Education Committee

Summary: This bill would change the annual deadline to June 30 for submission of completed financial aid applications for various Cal Grant awards.

Status: 04/26/2007 Held in Senate Education.

SB 769

AUTHOR: Alquist (D)

TITLE: Student Financial Aid: Cal Grant Deadlines

INTRODUCED: 02/23/2007

LAST AMEND: 04/26/2007

LOCATION: Senate Appropriations Committee

Summary: This bill requires the Student Aid Commission to select a working group to review the deadlines associated with the various awards under the Cal Grant Program. This bill also expresses the intent of the Legislature to improve access to higher education for low-income and underrepresented students through the provision of financial aid that is made more readily available to them, with reasonable deadlines and adequate information.

Status: 05/31/2007 Held in Senate Appropriations.

Commentary: Report due to the Legislature by April 2008.

FEDERAL ISSUES UPDATE

The new federal fiscal year began on October 1, 2007. The first month of the new year ended with President Bush signing S. 2258, the Third Higher Education Extension Act of 2007 into law on Wednesday, October 31st. The bill extends program authority to continue all programs contained in the Higher Education Act (HEA) for five months expiring on March 31, 2008. The bill also contains a number of technical amendments to the HEA; those amendments corrected a drafting error in the recently passed Reconciliation bill, H.R. 2669, the College Cost Reduction and Access Act of 2007. The last HEA extension expired on October 30, 2007.

U.S. Education Secretary Margaret Spellings continues to work on oversight and monitoring issues. In recent months, federal and state investigations have found conflicts of interest among lenders, universities and government regulators. As a result of New York Attorney General Andrew Cuomo's investigation of the industry, a dozen lenders have agreed to pay \$13.7 million to the National Education Fund, which helps families navigate the loan process.

The U.S. Education Department, criticized for lax and inadequate oversight of the \$85 billion-a-year industry of the student loans released more rules governing the student loan industry, including measures prohibiting lenders from offering schools gifts in exchange for business and a mandate that each university include at least three companies on its preferred lender list. Secretary Margaret Spellings released the new regulations on October 31st, which will go into effect in July 2008. Congressional leaders and activists applauded Secretary Spellings new regulations said but that more needs to be done.

Friday afternoon on November 9th, House Education Committee Chairman George Miller (D-CA) and Higher Education, Lifelong Learning and Competitiveness Subcommittee Chair Ruben Hinojosa (D-TX) released the College Opportunity and Affordability Act of 2007 (H.R. 3746) to reauthorize the Higher Education Act (HEA). This legislation is the second of two major higher education bills introduced this year. The first major higher education bill, the College Cost Reduction and Access Act of 2007, was signed into law in September.

H.R. 3746 would increase Pell Grant funding and increase funding for other college readiness programs, such as TRIO and GEAR UP. The legislation would strengthen provisions already approved by the House to clean up corrupt practices in the student loan programs and protect students from aggressive lender marketing practices. The bill's new provisions include requiring better consumer disclosures and protections on private student loans and discourage colleges from raising tuition and reward colleges that keep tuition increases low. House members will likely have another chance to amend H.R. 3746 when the full House considers the legislation. Then the House-passed version of the bill must be reconciled with the Senate's HEA reauthorization bill that was passed in July.

The following are brief summaries of legislation that affect financial aid programs. Many bills have had little activities in recent months while a few have passed out of the house of origin. Several HEA related bills required urgent action and were signed into law.

HR 5

SPONSOR: Miller, Ge (D)

TITLE: College Student Relief Act

INTRODUCED: 01/04/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Creates the College Student Relief Act of 2007. This bill amends the Higher Education Act of 1965 to phase-in cuts in the interest rate for student borrowers under the Federal Family Education Loan (FFEL) and Direct Loan (DL) programs, thereby reducing such rate from 6.8 percent in July 2006 to 3.4 percent in July 2011.

STATUS: 01/17/2007 To Senate Committee on Health, Education, Labor and Pensions

HR 472

SPONSOR: McKeon (R)

TITLE: Higher Education Act

INTRODUCED: 01/16/2007

LOCATION: House Education and Labor Committee

SUMMARY: Amends the Higher Education Act of 1965 to address the issues of college affordability and transparency. This bill is intended to assist families and students with easy to use web tools to search and compare colleges, make college costs and financial aid transparent, and raise awareness about college opportunities especially for low income families, non-traditional students, and first in the family to attend college.

STATUS: 01/16/2007 To House Committee on Education and Labor

HR 722

SPONSOR: Bilirakis (R)

TITLE: Increasing Access to Higher Education Act

INTRODUCED: 01/30/2007

LOCATION: House Education and Labor Committee

SUMMARY: Amends the Higher Education Act of 1965 to increase the maximum Pell Grant award to \$4,810 for each of the academic years 2007-2008 through 2013-2014.

STATUS: 01/30/2007 To House Committee on Education and Labor

HR 890

SPONSOR: Miller, Ge (D)

TITLE: Student Loan Sunshine Act

INTRODUCED: 02/07/2007

LAST AMEND: 05/09/2007

LOCATION: Senate Health, Education, Labor and Pension Committee

SUMMARY: Establishes requirements for lenders and institutions of higher education in order to protect students and other borrowers receiving educational loans. Among other provisions, this bill amends the Higher Education Act of 1965 to require each lender entering into an educational loan arrangement with a postsecondary school to: (1) report annually to the Secretary of Education specified information concerning such arrangement; (2) inform borrowers of their loan options under Title IV (Student Assistance) before extending private educational loans for attendance at such school; and (3) be barred by such school from marketing such loans in a manner implying the school's endorsement.

STATUS: 05/10/2007 In Senate Committee on Health, Education, Labor and Pensions. Read second time.

HR 1608

SPONSOR: Miller Ge (D)

TITLE: College Aid Made EZ Act

INTRODUCED: 03/20/2007

LOCATION: House Education and Labor Committee

SUMMARY: Expands college opportunities by significantly simplifying the Free Application for Federal Student Aid (FAFSA) application process. Amends the Higher Education Act of 1965 (HEA) to require the Secretary of Education to make the FAFSA: (1) consumer-friendly, with 50 percent fewer data elements within five years of this Act's enactment; (2) available in both paper and (downloadable) electronic formats; (3) flexible enough to permit applicants to enter data years before enrolling and selectively update information; and (4) include data elements relevant to state student aid determinations.

Directs the Secretary of Education to develop a simplified paper EZ FAFSA for applicants having no expected family contributions and simplified electronic FAFSAs for applicants to whom a simplified needs test applies.

STATUS: 06/27/2007 In House Committee on Education and Labor: Referred to Sub Committee on Higher Education, Lifelong Learning, and Competitiveness.

HR 2669

SPONSOR: Miller Ge (D)

TITLE: College Cost Reduction Act of 2007

INTRODUCED: 06/12/2007

LOCATION: Chaptered 110-84

SUMMARY: Provides for reconciliation pursuant to section 601 of the concurrent resolution on the budget for fiscal year 2008. Among other provisions, this bill would (1) cut interest rates in half on subsidized student loans over the next five years; (2) make student loan payments more manageable for borrowers; (3) increase the maximum Pell Grant scholarship by at least \$500 over the next five years; (4) expand eligibility to serve more students with financial need; (5) provide upfront tuition assistance to qualified undergraduate students who commit to teaching in public schools in high-poverty communities or high-need subject areas; (6) provide loan forgiveness for first responders, law enforcement officers, firefighters, nurses, public defenders, prosecutors, early childhood educators, librarians and others; (7) revise policies to allow public servants to have their loans forgiven after 10 years; and (8) establish a partnership with government entities and philanthropic organizations through matching challenge grants aimed at increasing the number of first generation and low-income college students.

STATUS: 09/27/2007 Signed by President Bush; Public Law No. 110-84

HR 3317

SPONSOR: Fattah (D)

TITLE: Higher Education Act

INTRODUCED: 08/02/2007

LOCATION: House Education and Labor Committee

SUMMARY: Amends the Higher Education Act of 1965 to improve and enhance the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP).

STATUS: 08/02/2007 In House Committee on Education and Labor.

HR 3746

TITLE: To amend and extend the Higher Education Act of 1965

SPONSOR: McKeon (R)

INTRODUCED: 10/04/2007

LOCATION: House Committee on Education and Labor

SUMMARY: Amends and extend the Higher Education Act of 1965. Repeals the newly enacted PLUS auction provisions, mandates that, as part of the institution's participation requirements, the school must establish a code of conduct pertaining to lenders, authorizes loan forgiveness of up to \$5,000 for service in areas of national need, creates a commission to develop a report on title IV fraud and abuse, and among other provisions.

STATUS: 10/4/2007 In House Committee on Education and Labor.

HR 3927

SPONSOR: Miller Ge (D)

TITLE: Higher Education Act

INTRODUCED: 10/23/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Temporarily extends the programs under the Higher Education Act of 1965.

STATUS: 10/30/2007 In Senate Committee on Health, Education, Labor and Pensions

HR 4035

SPONSOR: Petri (R)

TITLE: Federal Family Education Loan Program

INTRODUCED: 10/31/2007

LOCATION: House Education and Labor Committee

SUMMARY: Enacts the Student Loan Auction Market Act; studies, pilots, and implements a comprehensive, structural, market-based reform to the Federal Family Education Loan Program.

STATUS: 10/31/2007 In House Committee on Education and Labor.

HR 4075

SPONSOR: Courtney (D)

TITLE: College Access and Persistence

INTRODUCED: 11/05/2007

LOCATION: House Education and Labor Committee

SUMMARY: Enacts the Accessing College through Comprehensive Early Outreach and State Partnerships Act; expands college access and increases college persistence; allocates funding for states for educational assistance; relates to applications for leveraging educational assistance partnership programs; provides notification to eligible students that such grants are available; provides that States receiving an allotment shall use the funds to establish a partnership to award grants to eligible students.

STATUS: 11/05/2007 In House Committee on Education and Labor.

HR 4137

SPONSOR: Miller Ge (D)

TITLE: Higher Education Act Amendments

INTRODUCED: 11/09/2007

LOCATION: HOUSE

SUMMARY: Amends and extends the Higher Education Act of 1965.

STATUS: 11/09/2007 Introduced.

HRES 81

SPONSOR: Wu (D)

TITLE: Pell Grant Increase

INTRODUCED: 01/19/2007

LOCATION: House Education and Labor Committee

SUMMARY: To express the sense of the House of Representatives that the maximum Pell Grant should be increased to \$5,800.

STATUS: 01/19/2007 To House Committee on Education and Labor.

S 7

SPONSOR: Reid (D)

TITLE: College Opportunity Act of 2007

INTRODUCED: 01/04/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends Title IV of the Higher Education Act of 1965 and other provisions to urge Congress to make college more affordable through increased Federal Pell Grants and provide more flexible student loans.

STATUS: 01/04/2007 To Senate Committee on Health, Education, Labor and Pensions

S 282

SPONSOR: Durbin (D)

TITLE: Undergraduate Student Loans

INTRODUCED: 01/12/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends the Higher Education Act of 1965 to reduce over a 5-year period the interest rate on certain undergraduate student loans. This bill proposes to phase-in cuts in the interest rate charged to undergraduate student borrowers of subsidized loans under the Federal Family Education Loan (FFEL) program, thereby reducing such rate from 6.8 percent in July 2006 to 3.4 percent in July 2011.

STATUS: 01/12/2007 To Senate Committee on Health, Education, Labor and Pensions

S 301

SPONSOR: Clinton (D)

TITLE: Nontraditional Student Success Act

INTRODUCED: 01/16/2007

LOCATION: Senate Finance Committee

SUMMARY: Provides higher education assistance for nontraditional students. Among other provisions, this bill authorizes and appropriates specified funds for Federal Pell Grants under the Higher Education Act of 1965. Increases yearly maximum grant amounts and revises requirements for the allowance of two Pell grants during a single award year.

STATUS: 01/16/2007 To Senate Committee on Finance

S 359

SPONSOR: Kennedy (D)

TITLE: Student Debt Relief Act of 2007

INTRODUCED: 01/22/2007

LOCATION: Senate Finance Committee

SUMMARY: Amends the Higher Education Act of 1965 to provide additional support to students. This bill proposes to extend the Pell Grant program through FY2012 and increase yearly maximum Pell Grant amounts. Authorizes and appropriates specified additional annual funding for such grants.

STATUS: 01/22/2007 To Senate Committee on Finance

S 454

SPONSOR: Collins (R)

TITLE: Improving Access to Higher Education Act of 2007

INTRODUCED: 01/31/2007

LOCATION: Senate Finance Committee

SUMMARY: Amends the Higher Education Act of 1965 to increase the maximum Pell Grant award to \$5,100 for the 2007-2008 academic year. Raises the minimum Pell Grant award from \$400 to \$500.

Among other provisions, this bill amends the Internal Revenue Code to raise: (1) the maximum student loan interest deduction to \$3,750; and (2) the modified adjusted gross income level where such deduction begins to be phased-out.

Exempts from the sunset provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA): (1) the elimination of the 60-month limit on the period of such deduction; and (2) the increase in the income limitation on such deduction.

Increases the maximum annual contribution limit for Coverdell education savings accounts from \$2,000 to \$3,000, and makes such increase permanent.

Repeals the EGTRRA sunset on the tax exclusion of employer-provided educational assistance.

STATUS: 01/31/2007 To Senate Committee on Finance

S 486

SPONSOR: Kennedy (D)

TITLE: Student Loan Sunshine Act

INTRODUCED: 02/01/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Establishes requirements for lenders and institutions of higher education in order to protect students borrowers receiving educational loans. Among other provisions, this bill amends the Higher Education Act of 1965 to require each lender entering into an educational loan arrangement with a postsecondary school to: (1) report annually to the Secretary of Education specified information concerning such arrangement; (2) inform borrowers of their loan options under Title IV (Student Assistance) before extending private educational loans for attendance at such school; and (3) be barred by such school from marketing such loans in a manner implying the school's endorsement.

STATUS: 02/01/2007 To Senate Committee on Health, Education, Labor and Pensions

S 511

SPONSOR: Clinton (D)

TITLE: Student Borrowers

INTRODUCED: 02/07/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Provides student borrowers with basic rights, including the right to timely information about their loans and the right to make fair and reasonable loan payments. Among other provisions, this bill urges the Department of Education to enforce rules requiring lenders to complete lender verification certificates in a timely manner for borrowers seeking to consolidate loans. This bill amends the Higher Education Act of 1965 to require specified loan participants under the Federal Family Education Loan (FFEL) and Federal Perkins Loan programs to disclose to each national credit bureau organization any on-time payments made for such loans and their status as student loans.

STATUS: 02/07/2007 To Senate Committee on Health, Education, Labor and Pensions

S 899

SPONSOR: Dodd (D)

TITLE: Federal Pell Grant Maximum Amount

INTRODUCED: 03/15/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends section 401(b)(2) of the Higher Education Act of 1965 to increase the maximum Pell Grant award for academic years 2007-2008 through 2011-2012 to \$7,600 for 2007-2008, and by \$1,000 increments in each subsequent academic year, until it stands at \$11,600 for 2011-2012. Requires a further increase in any such maximum Pell Grant award, by an amount sufficient to achieve a 5% increase in students' purchasing power relative to the cost of attendance at an institution of higher education, if the Secretary of Education determines that the amount authorized does not increase such purchasing power by at least 5% from one academic year to the next.

STATUS: 03/15/2007 To Senate Committee on Health, Education, Labor and Pensions

S 938

SPONSOR: Reed (D)

TITLE: College Access and College Persistence

INTRODUCED: 03/20/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Expands college access and increase college persistence. Among other provisions, this bill would (1) expand partnerships with institutions of educations, and other interested parties to provide financial assistance to help low-income students attend college; (2) provide need-based grants for college access and increased college persistence to eligible low-income students; (3) provide early notification to low-income students of their eligibility for financial aid; and (4) encourage increased participation in early information and intervention, mentoring, or outreach programs.

STATUS: 03/20/2007 To Senate Committee on Health, Education, Labor and Pensions

S 939

SPONSOR: Reed (D)

TITLE: Applying for Student Assistance Process Improvement

INTRODUCED: 03/20/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends the Higher Education Act of 1965 to simplify and improve the process of applying for student assistance, and for other purposes.

Phase-out the paper form for students who do not meet the requirements for an EZ FAFZA, and produce, distribute, and process common forms in electronic format.

Directs the Secretary of Education to make every effort to provide students with early information about potential financial aid eligibility, both through a widely disseminated printed form and the Internet or other electronic means.

Directs the Secretary of Education to make special efforts to notify: (1) students who qualify for specified means-tested federal benefits of their potential eligibility for a maximum federal Pell Grant; and (2) middle school and secondary school students of the availability of student financial assistance.

Requires the Secretary to contract for or establish a toll-free telephone service to provide an application mechanism and timely and accurate information to the general public.

STATUS: 03/20/2007 To Senate Committee on Health, Education, Labor and Pensions

S 1262

SPONSOR: Enzi (R)

TITLE: Student Loan Accountability and Disclosure Reform Act

INTRODUCED: 05/02/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends title IV of the Higher Education Act of 1965 to expand prohibitions on guaranty agencies operating under the Federal Family Education Loan program by prohibiting specified inducements to institutions of higher education or lenders. Requires lenders to provide student loan applicants with certain written information regarding: (1) loan conditions; (2) their possible qualification for title IV assistance; (3) the method for determining the applicable interest rate; and (4) whether the loans provided exceed a student's attendance costs.

STATUS: 05/02/2007 To Senate Committee on Health, Education, Labor and Pensions

S 1400

SPONSOR: Enzi (R)

TITLE: Student Information Means a Positive Loan Experience Act of 2007

INTRODUCED: 05/15/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends the Higher Education Act of 1965 to improve the information and give borrowers under the Federal Family Education Loan and Direct Loan programs the option to delay the repayment of principal on such loans for the first two years that they are in repayment, regardless of their repayment plan, and for other purposes.

STATUS: 05/15/2007 To Senate Committee on Health, Education, Labor And Pensions

S 1401

SPONSOR: Enzi (R)

TITLE: Student Financial Aid Data Privacy Protection Act

INTRODUCED: 05/15/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends the Higher Education Act of 1965 to direct the Secretary of Education to take actions to: (1) ensure that guaranty agencies, lenders, and schools access is for legitimate program operations; (2) prohibit nongovernmental entity from accessing personally identifiable information; (3) create a disclosure form for students; (4) require guaranty agencies, lenders, and schools to inform borrowers of FFEL, Direct Loans, and Perkins Loans that such a loan will be submitted to the system and accessible to such entities; (5) regularly monitor the system and ensure that data is not used for marketing purposes; and (6) develop standardized protocols for limiting access.

Requires the Secretary of Education to study and report to Congress on: (1) mechanisms giving borrowers the option of restricting lender access to their system records; and (2) appropriate risk-based protocols for limiting access.

STATUS: 05/15/2007 To Senate Committee on Health, Education, Labor And Pensions

S 1467

SPONSOR: Biden (D)

TITLE: Pell Grants

INTRODUCED: 05/23/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Amends the Higher Education Act of 1965 to authorize an Early Federal Pell Grant Commitment Demonstration Program and directs the Secretary of Education to award grants to four states to cover administrative expenses incurred in the program.

STATUS: 05/23/2007 To Senate Committee on Health, Education, Labor And Pensions

S 1642

SPONSOR: Kennedy (D)

TITLE: Higher Education Access Act of 2007

INTRODUCED: 06/18/2007

LOCATION: House

SUMMARY: Extends the authorization of programs under the Higher Education Act of 1965. Among other provisions, this bill would (1) provide consumer friendly and detailed information about college tuition and fees; (2) call for the Department of Education and IRS to coordinate and automate the FAFSA process; (3) require the Department of Education to establish protocols for limiting and restoring access to the National Student Loan Data System; (4) require colleges to establish Codes of Conduct to prohibit their financial aid employees from receiving anything of value in exchange for advantages sought by lenders; and (5) expand prohibitions on guaranty agencies and lenders that restrict the offering of any premiums, payments, prizes, and tuition payments.

STATUS: 07/26/2007 Passed Senate to House

S 1762

SPONSOR: Kennedy (D)

TITLE: Higher Education Access Act of 2007

INTRODUCED: 07/10/2007

LOCATION: Senate Health, Education, Labor and Pensions Committee

SUMMARY: Provides for reconciliation pursuant to section 602 of the concurrent resolution on the budget for fiscal year 2008 (S. Con. Res. 21).

STATUS: 07/10/2007 Placed on Senate Legislative Calendar under General Orders. Calendar No. 266.

S 2258

SPONSOR: Kennedy (D)

TITLE; Third Higher Education Extension Act of 2007

INTRODUCE: 10/30/2007

LOCATION: Chaptered 110-109

SUMMARY: Amends the Higher Education Extension Act of 2005 to extend the programs under the Higher Education Act of 1965 through March 31, 2008.

Amends the Higher Education Act of 1965 to consider trustees acting on behalf of certain governmental or tax-exempt entities as eligible nonprofit holders of Federal Family Education Loans (FFELs), regardless of whether or not such entities are eligible FFEL lenders.

STATUS: 10/31/2007 Signed by President Bush; Public Law No: 110-109.

Secretary Spellings Announces the Publication of New Regulations on Student Loans and Academic Competitiveness and National SMART Grants

U.S. Secretary of Education Margaret Spellings announced on November 1st final regulations for student loans, Academic Competitiveness (AC) and National Science and Mathematics Access to Retain Talent (SMART) grants. Published in the Federal Register today, the regulations will increase transparency and protect borrower choice in the federal financial aid program.

The new loan regulations respond to the Secretary's August 2006 call to clarify the relationships between lenders and institutions. The new loan regulations address numerous issues including preferred lender lists, prohibited inducements, Perkins loans and total and permanent disability discharge.

The AC and National SMART grants regulations predominantly clarify existing regulations for the programs.

"I am pleased to see the long and deliberative negotiated rulemaking process produce final regulations that are a major step forward in improving the transparency of the student loan programs, ensuring borrower choice and restoring confidence in the federal financial aid programs," said Secretary Spellings. "But the job is not finished. I will continue to press forward and to accomplish the goals outlined by the Commission on the Future of Higher Education to make college more accessible, affordable and accountable for our nation's families."

In 2006, in the absence of reauthorization of the Higher Education Act (HEA), Secretary Spellings exercised her regulatory authority to begin the congressionally mandated negotiated rulemaking process. Following a series of regional public hearings and negotiating sessions, the Department issued a proposed rule for public comment. After carefully considering the public input, the Department issued the final regulations.

The final regulations reflect the following major policies:

- Preferred Lender Lists
 - Requires that if an institution elects to use a preferred lender list, it must include no less than three lenders on the list, and must disclose the criterion upon which placement was based.
 - Prohibits lenders from seeking placement on a list in exchange for payments, gifts or benefits made to the institution, its representatives or affiliated organizations.
- Prohibited Inducements
 - Clarifies existing regulations regarding allowable and prohibited relationships between lenders, guarantee agencies and institutions.
 - Provides examples of prohibited inducements.
 - Provides examples of allowable activities.

- Perkins Loans
 - Includes mandatory assignment of defaulted Perkins loans to reclaim over \$400 million that have been in default for seven years, which borrowers have made no payment for more than one year.

- Total and Permanent Disability (TPD) Discharge
 - Simplifies the TPD process for borrowers that are disabled, specifically those suffering from degenerative conditions where an onset date can be difficult to document.
 - Provides relief from loan payments during a three-year conditional discharge period.
 - Allows the borrower to earn a minimal income in an attempt to return to work during the conditional discharge period.
 - Enables the Secretary to minimize fraudulent claims by requesting a secondary medical opinion to validate medical evidence.

The AC grant regulations respond to the growing number of States and local educational agencies that are trying to increase students' access to rigorous classes in high school. The package includes a new provision that allows state and local educational agencies to submit rigorous curriculum for approval beyond the following year. Other provisions clarify how to account for Advanced Placement (AP), International Baccalaureate (IB) and dual enrollment credits, and how to determine GPAs for students who attend schools or institutions that do not issue numeric or letter grades.

The National SMART grant regulations include a new provision explaining how an institution can submit petitions to have additional majors included as SMART-eligible majors. Other provisions clarify the existing regulations that require SMART recipients to be enrolled in and making progress toward a SMART-eligible major.

Also published this week, Secretary Spellings announced the General Provisions regulations package that aligns payment periods among all Title IV disbursements, defines independent study, creates new rules for check writing and electronic transfer of funds, and provides guidance on the return of funds to students who have withdrawn.

For more information please visit <http://www.ed.gov/news/fedregister/finrule/index.html>.

The College Opportunity and Affordability Act of 2007 - *Expanding College Access, Strengthening our Future*

Committee on Education and Labor Fact Sheet

The legislation would:

Encourage colleges to rein in price increases and provide consumers with helpful Information

- Ensures states maintain higher education funding and provides incentives, such as additional need-based aid, to encourage colleges to hold down price increases.
- Creates a user-friendly website to provide students and families with helpful information about college pricing when making important education decisions.
- Requires institutions to report their reasons for tuition hikes, and their plans for lowering costs.

Restore integrity and accountability to the student loan programs

- Requires institutions and lenders to adopt strict codes of conduct.
- Provides students with fair and full information about their borrowing options when taking out and repaying student loans, including the terms and conditions of both federal and private student loans; and promotes financial literacy and education for students and parents.
- Protects students from aggressive marketing practices by lenders.

Simplify the federal student aid application process

- Streamlines the Free Application for Federal Student Aid (FAFSA) process, and creates an easy-to-navigate two-page FAFSA-EZ form for low-income families.
- Provides families with extra time to plan for their college expenses.
- Encourages the Department of Education to coordinate with the Internal Revenue Service to use information that the government already has.

Make textbook costs more manageable

- Provides students with advance information on textbook pricing to help them plan for expenses before each semester.
- Ensures that colleges and faculty have full textbook pricing information when making purchasing decisions.

Strengthen our workforce and our competitiveness

- Creates programs to bolster students' interest in science, technology and critical foreign languages through collaborations with businesses and other stakeholders.
- Improves teacher training and development programs and focuses on recruiting teachers into high demand science and technology fields.
- Encourages students to enter vital public service jobs by authorizing up to \$5,000 in loan forgiveness for public defenders, prosecutors, firefighters, military service members, first responders, law enforcement officers, educators, nurses, and others serving the public interest.

Expand college access and support for low-income and minority students

- Makes college more affordable for low-income and non-traditional students by allowing students to receive Pell Grant scholarship aid year round.
- Expands funding for graduate student programs at Historically Black Colleges and Universities, Hispanic Serving Institutions, and other minority serving schools.
- Strengthens the TRIO and GEAR UP college readiness and support programs for low-income and first-generation students.

Increase college aid and support for veterans and military families

- Creates a new scholarship program for active duty military personnel and family members, including children and spouses of active duty military service members or veterans.
- Establishes support centers to help veterans succeed in college and graduate.
- Ensures fairness in student aid and housing aid for veterans to make it easier for them to go to college while also fulfilling their military service duties.

Ensure equal college opportunities for students with disabilities

- Establishes a national center to provide support services and best practices for colleges, students with disabilities, and their families.
- Helps colleges recruit, retain, and graduate students with disabilities and improves education materials and facilities.
- Makes college more affordable for students with intellectual disabilities by allowing them to become eligible for Pell Grant scholarships and other need-based aid.

Boost campus safety and disaster readiness plans

- Helps all colleges develop and implement state of the art emergency systems and campus safety plans, and requires the Department of Education to develop and maintain a disaster plan in preparation for emergencies.
- Creates a National Center for Campus Safety at the Department of Justice to work in collaboration with the COPS Program.
- Establishes a disaster relief loan program to help schools recover and rebuild in the event of a disaster.

<http://edlabor.house.gov/publications/20071109COAASummary.pdf>