
13.a

Action/Information Item

California Student Aid Commission

Consideration of State Legislative Principles

The Commission is asked to review the proposed Legislative Principles for the 2007 and 2008 legislative years. Commissioners and Commission staff may utilize the adopted Legislative Principles in developing positions on legislation and during budget and other policy discussions to convey general Commission policy positions.

The Commission is also asked to review the proposed legislative analysis templates. Staff will use these templates to report the impact proposed legislation would have on the Commission's programs, procedures, and policies.

Enclosed are the 1) Proposed Legislative Principles 2007-08, the 2) Proposed Summary of Legislative Principles 2007-08, the 3) Legislative Principles 2005-06, and the 4) Legislative Analysis Templates. The Summary of Legislative Principles document is intended as a supplemental tool for quick and easy reference.

Recommended Action: Review, discuss, revise, and approve the proposed principles.

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

PROPOSED STATEMENT OF LEGISLATIVE PRINCIPLES FOR 2007-08

The mission of the California Student Aid Commission (Commission) is to make education beyond high school financially accessible to *all* Californians. The Commission's goal is to ensure all California students learn and apply for benefits with the Cal Grant Program and other specialized aid programs the Commission administers. The Commission serves the public interest by providing quality financial aid services at a reasonable cost to those students who need financial assistance to attend a college or university.

It is essential that the Legislature and the Administration collaborate with the Commission to ensure that the Cal Grant program and other specialized aid programs are successful by conducting Cal Grant promotional events, participating in, and supporting the Commission's mission. The continued commitment from the State to improve the availability and amount of financial aid is crucial to ensure educational access for all California students. This commitment strengthens the state's economic well-being by educating California's future workforce.

LEGISLATIVE OBJECTIVES

The Commission will work to maintain the support of the Legislature and the Executive branch for the following:

- The Cal Grant Entitlement and Competitive Programs,
- All Specialized aid programs, and
- Commission/ EDFUND's partnership
 - Strengthen and improve the opportunities offered through the Commission and EDFund model.

LEGISLATIVE PRINCIPLES

Recognizing the critical need to maintain Legislative and Executive support for postsecondary educational opportunities, the Commission adopts the following general statement of principles to guide staff in consideration of legislation and related policy issues:

- Foster Educational Access and Affordability
- Ensure the Availability of Information on Educational Opportunities
- Preserve the Flow of Financial Aid
- Ensure Adequate Support and Flexibility for Commission Operations

Each of these statements is discussed in further detail below.

The Commission should support these legislative principles by taking the following actions during the legislative session:

Staff will draft an objective analysis of all legislative bills that affect the Commission. All positions will be in a "pending" status until the Commission has the opportunity to review the

legislation and analysis and take an official position. Staff will request the Commission take one of the following positions:

Neutral or No Position

- The Commission has conflicting votes or
- A bill that is not within the scope of the Commission's responsibility or would not impact the Commission's operations or procedures (mission?).

Support

- Supports the Commission's mission and principles.

Neutral if Amended, Support if Amended, or Oppose unless Amended

- The Commission's position would change if recommended amendments are made to resolve implementation or policy concerns. This position should indicate which concerns must be resolved before the Commission would change its position.

Oppose

- A bill that is in conflict with the Commission's mission and principles; it cannot be administered; it is too costly and burdensome to the Commission, the students, and schools.

Staff will request the Commission's involvement during the legislative session as the opportunity arise, including but not limited to:

- For the 2007 legislative session (as it relates to the 2007 Commission Meetings) February 22-23 (Governor's Budget), April 19-20 (positions on all introduced bills), June 21-22 (budget bill & additional bills), September 6-7 (status of bills), November 29-30 (signed bills and 2nd year bills).

The guiding principles and objectives should be reviewed at the beginning of each legislative session to ensure they continue to be applicable, valid, and supportive of the Commission's mission.

FOSTER EDUCATIONAL ACCESS AND AFFORDABILITY

The Commission and the State should advocate for increased higher education opportunities for all California students. The Commission accomplishes this as follows:

- Ensuring that financial aid to the growing number of needy California college students continues to expand as the cost of completing a postsecondary education continues to rise.
- Cultivating legislative and budget actions that protect, strengthen, and increase the state's General Fund commitment to student financial aid.
- Encouraging continued bipartisan support for funding of statutory growth in the Cal Grant programs and for continued access to affordable student loans administered through EDFUND.
- Promoting expanded educational and transfer opportunities for students transferring from community colleges to four-year colleges.
- Supporting legislation that will enhance the benefits to those participating in state or federal tuition savings plans that encourage saving while offering tax relief incentives, such as the ScholarShare Program.

FOSTER EDUCATIONAL ACCESS AND AFFORDABILITY - FUNDING OBJECTIVES FOR THE CAL GRANT PROGRAM

The Commission will advocate maintaining the integrity of the Cal Grant program and for increases in the value of all Cal Grant awards to help defray the cost of obtaining a postsecondary education. The Commission accomplishes this as follows:

- Providing continuous educational opportunities by adopting budget principles, which intend to, at a minimum, preserve the Cal Grant Entitlement and Competitive Program's eligibility requirements, preserve the value of the award, and maintain the current number of awards.
- Pursuing a state budget that is supportive of access and institutional choice through the Cal Grant Program.
- Advocating for funds that increase the number of competitive Cal Grant awards for qualified non-recipient students.
- Supporting full fee funding for Cal Grant students at the public universities and a maximum Cal Grant award that supports the ability of students to choose to attend a private university.
- Continue to help students fund their unmet financial need through low-cost loans under the federal student loan program.

ENSURE THE AVAILABILITY OF INFORMATION ON EDUCATIONAL OPPORTUNITIES

The Commission should work to expand and strengthen its early outreach efforts throughout the State. The Commission accomplishes this as follows:

- Promoting the availability of information on college educational opportunities for all California students and families.
- Promoting policies that provide information and guidance to students and their families on alternative methods for financing a college education.
- Providing the support needed to maximize the effectiveness of the California Student Opportunity and Access Program (Cal-SOAP).
- Working in coordination with our partners in the financial aid community.

PRESERVE THE FLOW OF FINANCIAL AID

The Commission should promote the uninterrupted flow of student financial aid to enable students to achieve their educational goals. The process of applying for and receiving student aid should be as simple as possible for students and their families, educational institutions, and other program participants. The Commission accomplishes this as follows:

- Advocating continued enhancements and improvements to the Grant Delivery System to promote transparency and ease of use in the system while maintaining speed and accuracy.
- Advocating federal and state actions that result in a streamlined application process for California students.
- Advocating policies that promote the cost-effective and timely administration of student financial aid programs.

ENSURE ADEQUATE SUPPORT AND FLEXIBILITY FOR COMMISSION OPERATIONS

The Commission should ensure that its administrative functions are sufficient to fulfill its essential mission and responsibilities. The Commission accomplishes this as follows:

- Administering its programs effectively and efficiently; expanding the use of advanced technological services and streamlined operations; providing high quality financial aid services to its customers and Californians at large; and retaining a qualified, professional workforce.
- Preserving the opportunity established through EDFUND (AB 3133, Chap.961, Stat.1996), as well as the authority to strengthen and improve the opportunities offered through the Commission and EDFund model (AB 2122, Chap. 657 and SB 1108, Chap.216, Stat. of 2004).

DRAFT

**PROPOSED SUMMARY STATEMENT OF LEGISLATIVE PRINCIPLES FOR
2007-08**

Mission

The mission of the California Student Aid Commission (Commission) is to make education beyond high school financially accessible to *all* Californians.

Statement of Legislative Principles

The Commission's duty is to preserve and improve the Cal Grant Entitlement and Competitive Programs, Specialized Programs, and the Federal Family Education Loan Program (FFEL) through its auxiliary non-profit EDFund.

The Commission will work to maintain the support of the Legislature and the Executive branch for postsecondary educational opportunities and adopts the following general statement of principles to guide staff in consideration of legislation and related policy issues:

- *Foster Educational Access and Affordability*
 - The Commission and the State should advocate for increased higher education opportunities for all California students
- *Ensure the Availability of Information on Educational Opportunities*
 - The Commission should work to expand and strengthen its early outreach efforts throughout the State.
- *Preserve the Flow of Financial Aid*
 - The Commission should promote the uninterrupted flow of student financial aid to enable students to achieve their educational goals.
- *Ensure Adequate Support and Flexibility for Commission Operations*
 - The Commission should ensure that its administrative functions are sufficient to: fulfill its essential mission and responsibilities; administer its programs effectively and efficiently; expand the use of advanced technological services and streamlined operations; provide high quality financial aid services to its customers and Californians at large; and retain a qualified, professional workforce.

When legislation is introduced that impacts the Commission, staff will request the Commission take one of the following positions: Neutral or No Position, Support, Neutral if Amended, Support if Amended, or Oppose unless Amended, or Oppose.

The continued commitment from the State to improve the availability and amount of financial aid is crucial to ensure educational access for all California students. This commitment strengthens the state's economic well-being by educating California's future workforce.

Legislative Analysis Templates

- An Analysis of Original Bill is completed for any bill that may impact the Commission's programs, procedures, policies, and operations. This would be completed most often for bills that are introduced at the beginning of the legislative session.
- An Analysis of Amended Bill is completed for any bill that may impact the Commission's programs, procedures, policies, and operations. This would be completed most often for bills that are amended during the legislative session that when originally introduced did not contain a provision(s) that impacted the Commission.
- A Summary is completed for any bill that was already analyzed as introduced or amended and adds a provision that impacts the Commission but many of the previous headings still apply. This analysis is a "summary" of the new amendments and its impact to the Commission.
- A No Analysis Required is completed for any bill that 1) the Commission is watching as it moves through session, 2) is a spot bill, 3), is a minor amendment to a bill that has already been analyzed, or 4) was amended to no longer impact the Commission.

Each of the templates has the following optional headings except the No Analysis Required: Summary, Summary of Amendments, Purpose of the Bill (Author Statement), Position, Analysis - Federal/State Law, This Bill, Implementation Considerations, Technical Considerations, Legislative History, Fiscal Impact, Economic Impact, Policy and Concerns



**No Analysis Required
AB/SB (Author)
Subject Matter/Title
As Introduce/Amended (Date)**

Summary

Legislative Staff Contact

Darrine Distefano
California Student Aid Commission
526-8295
ddistef@csac.ca.gov

Steve Caldwell
California Student Aid Commission
526-8095
scaldwel@csac.ca.gov



**Analysis of Original Bill
AB/SB (Author)
Subject Matter/Title
As Introduced (Date)**

Summary

Purpose of the Bill (Author Statement)

Position

Analysis

Federal/State Law

This Bill

Implementation Considerations

Technical Considerations

Legislative History

Fiscal Impact

Economic Impact

Policy Concerns

Legislative Staff Contact

Darrine Distefano
California Student Aid Commission
526-8295
ddistef@csac.ca.gov

Steve Caldwell
California Student Aid Commission
526-8095
scaldwel@csac.ca.gov



**Analysis of Amended Bill
AB/SB (Author)
Subject Matter/Title
As Amended (Date)**

Summary

Summary of Amendments

Purpose of the Bill (Author Statement)

Position

Analysis

Federal/State Law

This Bill

Implementation Considerations

Technical Considerations

Legislative History

Fiscal Impact

Economic Impact

Policy Concerns

Legislative Staff Contact

Darrine Distefano
California Student Aid Commission
526-8295
ddistef@csac.ca.gov

Steve Caldwell
California Student Aid Commission
526-8095
scaldwel@csac.ca.gov



Summary Analysis of Amended Bill
AB/SB (Author)
Subject Matter/Title
As Amended (Date)

Summary

Summary of Amendments

Purpose of the Bill (Author Statement) (optional)

Position

Analysis (optional)

Federal/State Law (optional)

This Bill (optional)

Implementation Considerations

Technical Considerations

Legislative History (optional)

Fiscal Impact (optional)

Economic Impact (optional)

Policy Concerns (optional)

Legislative Staff Contact

Darrine Distefano
California Student Aid Commission
526-8295
ddistef@csac.ca.gov

Steve Caldwell
California Student Aid Commission
526-8095
scaldwel@csac.ca.gov

PROPOSED STATEMENT OF LEGISLATIVE PRINCIPLES FOR 2005-06

The mission of the California Student Aid Commission (Commission) is to make education beyond high school financially accessible to *all* Californians. The Commission is dedicated to implementing and maintaining the integrity and value of the Cal Grant Entitlement Program and ensuring that all California students learn about the program and apply for its benefits.

The state's continued commitment to improve the availability and amount of financial aid is crucial to ensure educational access for all California students and strengthen the state's economic well-being by educating California's future workforce.

Although the number of high school graduates with Cal Grant awards has increased from approximately 30,000 in 2000-01 to over 62,000 in 2004-05, many needy students remain unaware of the financial aid opportunities available to them. In 2003-04 the Commission embarked into expansion of its existing outreach efforts by adoption of a comprehensive outreach plan. The plan provides over \$17 million in direct support for financial aid related activities. Furthermore, an additional \$3 million was committed for a public awareness campaign and the Commission is providing support and coordination efforts with Cash for College and other programs. Partnering with Legislators and the segments to conduct Cal Grant promotional events is an effective way to ensure not only that the program is successful, but that Legislative members participate in and support the Commission's mission.

Commission staff has identified several long-term objectives toward these goals at the legislative level:

FUNDING OBJECTIVES

The Commission is committed to the following funding objectives:

- The Commission continues to provide educational opportunity by adopting budget principles, which are intended to, at a minimum, preserve the Cal Grant Entitlement and Competitive Program's eligibility requirements, preserve the value of the award and maintain the current number of awards.
- The Commission shall continue to advocate for funding to implement and improve the Cal Grant Program for students who are not currently served by the Competitive program.
- The Commission will advocate maintaining the integrity of the Cal Grant program and for increases in the value of all Cal Grant awards to help defray the cost of obtaining a postsecondary education.
- The Commission will support full fee funding for Cal Grant students at the public universities and a maximum Cal Grant award that supports the ability of students to choose to attend a private university.

- The Commission shall strive to continue to help students fund their unmet financial need through low-cost loans and the waiver of borrower guaranty fees under the federal student loan program.

LEGISLATIVE PRINCIPLES

The Commission will work to maintain the support of the Legislature and Administration for;

- The Cal Grant Entitlement and Competitive Programs, and
- A business diversification plan that will build on the Commission/ EDFUND's strength by expanding beyond the Federal Family Education Loan Program (FFEL) to continue to serve the public interest by providing quality financial aid services, at a reasonable cost, to those student who would be unable to attend higher education without financial assistance.

Recognizing the critical need to maintain Legislative and Executive support for postsecondary educational issues, the Commission adopts the following general statement of principles to guide staff in consideration of legislation and related policy issues during the 2005-06 legislative session:

FOSTER EDUCATIONAL ACCESS AND AFFORDABILITY

- The Commission and the State should advocate for increased higher education opportunities for all California students.
- The Commission should strive to ensure that financial aid to the growing number of needy California college students continues to expand and not erode as the cost of completing a postsecondary education continues to rise.
- The Commission should cultivate legislation and budget actions, which would protect, strengthen, and increase the state's General Fund commitment to student financial aid.
- The Commission should encourage continued bipartisan support for funding of statutory growth in the Cal Grant programs and for continued access to affordable student loans administered through EDFUND.
- The Commission should pursue a state budget that supports access and institutional choice through the Cal Grant Programs.
- The Commission and State should promote expanded educational and transfer opportunities for students transferring from community colleges to four-year colleges.
- The Commission should support legislation that will enhance the benefits to those participating in state or federal tuition savings plans that encourage saving while offering tax relief incentives, such as the ScholarShare Program.

ENSURE THE AVAILABILITY OF INFORMATION ON EDUCATIONAL OPPORTUNITIES

- The Commission should work to expand and strengthen its early outreach efforts throughout the State.
- The Commission should strive to promote the availability of information on college educational opportunities for all California students and families.
- The Commission should promote policies that provide information and guidance to students and their families on alternative methods for financing a college education.
- The Commission should provide the support needed to maximize the effectiveness of the California Student Opportunity and Access Program (Cal-SOAP).
- The Commission should work in coordination with the California Education Roundtable and its State GEAR UP Grant partners.

PRESERVE THE FLOW OF FINANCIAL AID

- The Commission should advocate for continued enhancements and improvements to the Grant Delivery System to promote transparency and ease of use in the system while maintaining speed and accuracy.
- The Commission should promote the uninterrupted flow of student financial aid to enable students to achieve their educational goals.
- The Commission should advocate federal and state actions that result in sufficient and effective financial aid for California students. The process of applying for and receiving student aid should be as simple as possible for students and their families, educational institutions, and other program participants.
- The Commission should advocate policies that promote the cost-effective and timely administration of student financial aid programs.

ENSURE ADEQUATE SUPPORT AND FLEXIBILITY FOR COMMISSION OPERATIONS

- The Commission should ensure that its administrative functions are sufficient to: fulfill its essential mission and responsibilities; administer its programs effectively and efficiently; expand the use of advanced technological services and streamlined operations; provide high quality financial aid services to its customers and Californians at large; and retain a qualified, professional workforce.
- The Commission should seek to preserve the opportunity established through AB 3133, (Statutes of 1996), the legislation authorizing the establishment of EDFUND, as well as the legislative authority to pursue diversified lines of business (per AB 2122 and SB 1108, Statutes of 2004).