

# Exhibit 13

## Action Item

Consideration of legislative plan and budget priorities for 2015 within the context of the 2013 Strategic Policy Framework and 2014 Statement of Policy Priorities and subsequent discussions

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This item provides staff recommendations for the 2015-2016 Legislative and budget agenda based on the Commission's 2013 Strategic Policy Framework, 2014 Statement of Policy Priorities, and actions at the November 2014 Commission meeting.

### **2013 Policy Framework**

On November 16, 2012, the Commission adopted a 2013 Strategic Policy Framework (2013 Framework), a copy of which is shown in earlier Exhibit 9.1.

### **2014 Policy Priorities**

Based on the 2013 Framework, the Commission formulated and adopted a Statement of Policy Priorities for 2014, a copy of which is shown in earlier Exhibit 9.2. The 2014 Statement of Policy Priorities (2014 Priorities) identified five policy priorities, in no priority order, and these policy priorities provided the basis for the Commission's legislative strategy last session.

The 2013 Framework and the 2014 Priorities stem from the work of the Strategic Policy and Planning Committee (SPPC) and are currently being reviewed by SPPC for any necessary revisions. However, they still provide the context for the development of the Commission's 2015-16 legislative plan and budget priorities by the LAB Committee.

### **November 2014 Commission Board Meeting**

At its November 2014 meeting Commissioners received a presentation and document that outlined the changed legislative landscape (12 year terms), the opportunity for a decade-long legislative engagement with the Legislature on financial aid legislation, and a list of legislative proposals aligned with and organized under the Commission's 2014 Priorities. The alignment between the policy priorities and legislative proposals appropriates a traditional "strategy/tactic" structure. The policy priorities represent the future the Commission wishes to see and the legislative proposals represent the path or steps to take to bring that vision to fruition.

At the close of its November meeting, Commissioners mentioned that they would like to react to the document by giving staff feedback on the proposals and suggestions as they relate to legislation. To that end, Commissioners Anton and Arzate verbally sketched out a proposal related to the competitive Cal Grants at the end of the November meeting. Statute designates 22,500 competitive Cal Grants, while last year over 300,000 students were eligible to receive one. This disparity is becoming well known in the Legislature from testimony by CSAC, one-on-one conversations between CSAC and Assembly and Senate staff and through CSAC staff reports. This issue has

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also been taken up by the Senate in Senate Bill 15, introduced by Senators Block, De León, and Liu, described below. Commissioner Anton's and Commissioner Arzate's proposal was to remove the age barrier on competitive Cal Grant awards for veterans. Staff continues to work on an official cost estimate regarding this proposal.

### **Context for 2015-2016 Legislative Plan**

Several bills have been introduced in the interim between the Commission's November meeting and today, among which SB 15 (Block) is most significant to the Commission and its legislative agenda. Supported by the Senate President pro tempore and the Senate Majority Caucus, SB 15 (Block): A Plan for Higher Education in California, would increase the total number of Competitive Cal Grant A and B awards to 30,000 (increase of 7,500), would prevent the reduction of Cal A and B awards for students at private non-profits and for-profits accredited by the Western Association of Schools and Colleges (WASC) by maintaining their grants at \$9,084 in 2015-16, and would establish in 2015-16 the Competitive Incentive Grant Award (as specified, focused on CSU students). The Commission has discussed and taken positions, separately, on some of the components included in SB 15 before.

Based on our current 2013 Framework and 2014 Priorities, discussions with the Commission's Chair, and suggestions by Commissioners at the November meeting, the 2015-16 budget and legislation priorities are suggested to be adopted as shown in Exhibit 13.1.

***Recommended Action:*** Adopt a 2015-16 Legislative Plan consistent with the policy priorities of the Commission.

***Responsible Person(s):*** Ed Emerson, Chief  
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Draft for Discussion

**CALIFORNIA STUDENT AID COMMISSION 2015-16 LEGISLATIVE AGENDA  
IN IMPLEMENTATION OF THE COMMISSION'S POLICY FRAMEWORK AND POLICY  
PRIORITIES (\* designates CSAC's highest budget/legislative priority items)**

1. *Maximize public investment in California students through financial aid that:*

1.1 *Ensures access for low-income and historically underrepresented California students to our eligible public colleges and universities and non-profit independent colleges; and for profit eligible WASC-accredited colleges that meet the 90-10 rule without using state grant aid or Title 38 aid as a means for satisfying the non-Title IV revenue requirement.*

1.2 *Ensures sufficient financial support for living expenses and costs of attendance for low-income community college students.*

- **\*Title: Full Funding for all Cal Grant Programs**  
*Action: Secure baseline and growth funds for all Cal Grant programs*  
*Action: Budget process issue (Governor, Legislature)*
- **\*Title: Maintain Current Cal Grant Funding level for private non-profit and for-profit four year academic institutions accredited by (WASC)**  
*Action: Secure \$9,084 grant award level*  
*Action: Budget process/legislation issue (Governor, Legislature)*
- **\*Title: Increase Number of Competitive Grant Awards**  
*Action: Support that part of SB 15 (Block) which increases the authorization for new Competitive Cal Grants from 22,500 annually to 30,000*  
*Action: Legislation*
- **\*Title: Make Cal Grants More Accessible For Veterans**  
*Action: Remove age barriers on Competitive Cal Grant and Transfer Entitlement Cal Grants for Veterans*  
*Action: Legislation*
- **Title: Increase the Cal Grant B award amount for living expenses**  
*Action: Support an increase in the amount of Cal Grant B access awards that pay for living expenses, transportation, supplies and books*  
*Action: Legislation*
- **Title: Reinstate California Work-study Program**  
*Action: Reinstate the California Work-study program to provide another form of financial aid for low-income and underserved students.*  
*Action: Legislation*
- **Title: Establish Long Term Grant Funding Policy for private non-profit and for-profit four year academic institutions accredited by (WASC)**  
*Action: Support efforts such as last session's AB 1318 (Bonilla) which proposed that the maximum Cal Grant Award level for nonpublic postsecondary institutions be set and maintained at 75% of the base funding per Cal Grant student at the UC and the*

CSU and required, as a condition for funding of the Cal Grant maximum award, the submission of performance metrics.

*Action:* Legislation

- **Title: Cal Grant Program Reform**

*Items for Consideration:* Reorganize all Cal Grant offerings to create a unified and equitable system of financial aid disbursement

Options for consideration:

1. **Assets and Income Issues:** Focus on asset and income requirements for all Cal Grant and MCS offerings
2. **Cal Grant Program Structure Issues:** Consolidate the Cal Grant programs into one Cal Grant program similar to the Pell Grant structure (From PASD).
3. **Cal Grant Redesign:** Redesign the Cal B Access grant to the Cal B Access and Retention Grant (Precedent SB 1644).

*Action:* Conduct study for possible legislation

2. *Maximize the effectiveness of state-authorized financial aid programs through consequential quality standards and consumer protections for students attending any California college.*

- **\*Support the Reintroduction of AB 640** (Hall) - Amends provisions of existing law regarding the Cal Grant Program. Requires the Student Aid Commission to establish an appeal process for an otherwise qualifying institution that fails to satisfy the cohort default rate and requirements due to small cohort size.

- **Title: Uniform Admissions Documentation for all Students**

*Action:* Secure a segment-wide uniform admissions policy regarding verification of documents forwarded by students (Dreamers and non-dreamers).

*Action:* Legislation

- **Title: Reduce Time to Receive 'Financial Aid'** – Too few college students receive their financial aid (majority Cal Grant B) within the first two weeks of enrollment thereby lessening their ability to prepare for or fully participate in their classes. Multiple obstacles within multiple organizations including CSAC limit the time to financial aid for students. The focus of this bill would be to address, limit and alleviate those obstacles and increase student 'time to financial aid' over a prescribed period of time.

*Action:* Legislation, researching language.

- **Title: Place Holder for Student Debt Legislation**

*Action:* Legislation

**Notes: Student Debt Issue** - Assistance in the implementation of AB 2377 – Chapter 816 (Perez) - Establishes **the California Student Loan Refinancing Program** (program), to be administered by the State Treasurer's California Educational Facilities Authority (Authority), to assist in the refinance of private student load debt at favorable rates and establishes eligibility requirements for the program.

3. *Advance awareness of financial aid for California students and parents through sufficient funding and support for comprehensive outreach programs and financial literacy programs that include federal, state and institutional aid, loans and other opportunities to cover the cost of college.*

- **\*Title: Fund and Expand Cal Grant Outreach to Underserved Students throughout California**

*Action:* Secure operational funding for Cal SOAP and Cash for College. Secure funding for the representational expansion of Cal SOAP and Cash for College.

Expand outreach programs beginning in the middle school years and support students beyond FAFSA completion through to college enrollment.

*Action:* Support Governor's Budget Proposal

*Action:* Consider corresponding legislation for the expansion of outreach representationally. Corresponding legislation for the reorganization of Cal SOAP. There are only 14 Cal SOAP projects in the state. Is there a way to increase the number of Cal SOAP outlets or reorganize them into more effective regions as it relates to coverage, events, etc.?

- **Title: Certified Cal Grant Training Program for Individuals and Institutions**

*Action:* There are hundreds of good natured organizations and volunteers who want to help increase FAFSA completion and college knowledge that may be using outdated and incorrect information. CSAC should provide a standard for organizations and individuals who want to do this work through a certified training program. Quality standards regarding outreach could affect the entire state and hundreds of thousands of students and families.

*Action:* Possible Legislation. Researching how other organizations and state agencies provide certified training for their organizations (membership organizations etc.)

4. *Influence and inform federal policy on financial aid policy and programs that affect California students, parents and college institutions*

*Actions:*

- Support legislation, regulations to streamline the FAFSA application.
- Support progressive gainful employment regulations.
- Support student debt legislation (Warren, Booker)
- Support Obama Administration's 2025 Goal of 60% college attainment. The goal is also supported by the Lumina Foundation and the Public Policy Institute of California
- Support the National Get Schooled Initiative, the President's FAFSA Challenge and the statewide Mayor's FAFSA Challenge.

5. *Maximize the effectiveness of state-authorized financial aid programs through sufficient funding and support for the operations of the California Student Aid Commission.*

- **\*Title: 21st Century Cal Grant Delivery and Student Outreach System**

*Action:* Secure funding for the technological upgrade of the Cal Grant Delivery System (GDS).

## Exhibit 13.1

*Action:* Support Governor's budget proposal to fund Technology Update for Grant Delivery at CSAC (GDS). The current system is 30 years old and a replacement of overdue.

*Action:* Corresponding legislation that takes up the issue of technology and the grant delivery system.

- **Title: Clean Up Bill**

*Action:* Clean up legislation which deals with reports, as well as duplicative and burdensome restrictions on Cal Grant administration. PASD would probably have ideas for how certain program requirements can be clarified, tweaked or simplified to make the job easier.