

Exhibit 20

Information/Action Item

Update on state and federal legislation affecting Commission programs

This exhibit includes the information presented to the Legislative, Audit and Budget Committee at its April 9, 2015 teleconference meeting.

The following report is an update on state and federal legislation affecting Commission programs including recommendations for Commission positions. Additional information, including expanded policy, program and budget analysis will be provided during the staff presentation at the Legislative, Audit and Budget Committee.

As it relates to the state update, two items have been included for reference: Exhibit 20.1 - description with details of 18 priority bills, and Exhibit 20.2 - a tracking matrix.

Finally, Exhibit 20.3 provides an update on federal legislation affecting Commission programs. This is an informational item which will be discussed by the committee at a subsequent meeting.

Recommended Action: Discuss legislation, staff recommendations for positions and vote to forward recommendations for positions to the full Commission.

Responsible Person(s): Ed Emerson, Chief
Strategic Policy, Media and Communications Division

Angelo Williams, Legislative Director
Strategic Policy, Media and Communications Division

Update on state legislation affecting Commission programs

1. AB 25 **AUTHOR:** Gipson [D]
 TITLE: Financial Aid: Cal Grant Program: Renewal
 FISCAL COMMITTEE: yes
 LOCATION: Assembly Appropriations Committee
 CODE SECTION: Education Code Section 69432.7

SUMMARY:

Requires the Student Aid Commission to establish an appeal process for an otherwise qualified institution that fails to satisfy the 3-year cohort default rate and graduation rate requirements. Authorizes the Commission to grant the appeal for an academic year only if the Commission makes a specified determination.

The Cal Grant Program establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

Existing law requires the commission to certify by November 1 of each year a qualifying institution's latest 3-year cohort default rate and graduation rate as most recently reported by the United States Department of Education. Existing law provides that an otherwise qualifying institution with a 3-year cohort default rate that is equal to or greater than 15.5% is ineligible for initial and renewal Cal Grant awards at the institution. Existing law provides that an otherwise qualifying institution is ineligible for an initial or renewal Cal Grant award at the institution if the institution has a graduation rate of 30% or less for students taking 150% or less of the expected time to complete degree requirements, as specified, with certain exceptions.

This bill would require the commission to establish an appeal process for an otherwise qualifying institution that fails to satisfy the 3-year cohort default rate and graduation rate requirements and would authorize the commission to grant the appeal for an academic year only if the commission makes a specified determination.

AMENDMENTS:

Amendments accepted in committee clarified the circumstances under which CSAC is authorized to grant an institutional appeal, when (1) an institution has been determined by CSAC to have a small cohort, of 20 or less, and the cohort is not representative of overall institutional performance; and/or (2) the institution has provided evidence to CSAC that the institution is anticipated to meet the Cal Grant participation requirements in the next academic year.

STATUS:

12/01/2014	INTRODUCED.
01/16/2015	To ASSEMBLY Committee on HIGHER EDUCATION.
03/17/2015	From ASSEMBLY Committee on HIGHER

Exhibit 20.1

03/23/2015 EDUCATION: Do pass as amended to Committee on APPROPRIATIONS. (11-0)
In ASSEMBLY. Read second time and amended.
Re-referred to Committee on APPROPRIATIONS.

VOTES:

03/17/2015 Assembly Higher Education P 11-0

SUPPORT:

Association of Independent California Colleges and Universities
Charles R. Drew University of Medicine and Science
St. Lawrence of Brindisi Church
Watts/Century Latino Organization
4 individuals

STAFF RECOMMENDATION:

Support.

2. AB 200

AUTHOR: Alejo [D]
COAUTHOR(S): Williams [D], Jones-Sawyer [D]
TITLE: Student Financial Aid: Competitive Cal Grant Awards
LOCATION: Assembly Appropriations Committee (Suspense)
CODE SECTION:

An act to amend Sections 69437 and 69437.6 of the Education Code, relating to student financial aid.

SUMMARY:

Requires that a specified total number of Competitive Cal Grant A and B awards be granted for the 2016-17 academic year and that a specified amount be granted for the 2017-18 academic year, and that a specified amount be granted for the 2018-19 academic year and each academic year thereafter.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Among other things, the program requires that a total of 22,500 Competitive Cal Grant A and B awards be granted annually. This bill would instead require that a total of 45,000 Competitive Cal Grant A and B awards be granted for the 2016-17 academic year, that 80,000 be granted for the 2017-18 academic year, and that 100,000 be granted for the 2018-19 academic year and each academic year thereafter. The bill would also make conforming changes and delete an obsolete provision.

- This bill increases the number of authorized new Competitive Cal Grant awards from 22,500 currently to 45,000 in 2016-17, 80,000 in 2017-18 and 100,000 in 2018-19 and annually thereafter.
- Based on current average award amounts and the distribution of awards to students at each of the public postsecondary segments and students at non-public institutions, General Fund costs would be around \$55 million in 2016-17, \$190 million in 2017-18, \$340 million in 2018-19, and over \$550 million by 2021-22.

STATUS:

01/29/2015 INTRODUCED.
 02/09/2015 To ASSEMBLY Committee on HIGHER EDUCATION.
 03/11/2015 From ASSEMBLY Committee on HIGHER EDUCATION with author's amendments.
 03/11/2015 In ASSEMBLY. Read second time and amended. Re-referred to Committee on HIGHER EDUCATION.
 03/17/2015 From ASSEMBLY Committee on HIGHER EDUCATION: Do pass to Committee on APPROPRIATIONS. (12-0)
 03/25/2015 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

VOTES:

03/17/2015 Assembly Higher Education Committee P 12-0

SUPPORT:

California Community College Association of Student Trustees
California Competes
California EDGE Coalition
Californians for Shared Prosperity Coalition
California State Conference of the NAACP
Community College League of California
EARN
MALDEF
NAACP Los Angeles
National Council of La Raza
Public Advocates Inc.
Southern California College Access Network
Student Senate for California Community Colleges
The Campaign for College Opportunity
The Education Trust-West
The Institute for College Access & Success
University of California Student Association
Young Invincibles

STAFF RECOMMENDATION

Support. Specifically, the Commission has historically supported proposals to increase the number of Competitive Cal Grant Awards as a part of its long term strategy.

4. AB 573 **AUTHOR:** Medina [D]
TITLE: Student Financial Aid: Cal Grant Program
LOCATION: Assembly Higher Education Committee
CODE SECTION:

An act to amend Section 69432.7 of the Education Code, relating to higher education.

SUMMARY:

Requires the Student Aid Commission to establish a complete listing of California postsecondary educational institutions and identify which institutions are eligible and ineligible for participation in the Cal Grant Program. Requires the commission to make this information readily available on its Internet Web site.

Existing law, the Ortiz-Pacheco- Poochigian-Vasconcellos Cal Grant Program (Cal Grant Program), establishes the Cal Grant A and B Entitlement Awards, the California Community College Transfer Cal Grant Entitlement Awards, the Competitive Cal Grant A and B Awards, the Cal Grant C Awards, and the Cal Grant T Awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Existing law requires the Student Aid Commission to do certain things, including notifying all Cal Grant recipients seeking to attend, or attending, an institution that is ineligible for initial and renewal Cal Grant awards that the institution is ineligible for initial Cal Grant awards for the academic year for which the student received an initial Cal Grant award.

This bill would require the commission to establish a complete listing of California postsecondary educational institutions and identify which institutions are eligible and ineligible for participation in the Cal Grant Program. The bill would require the commission to make this information readily available on its Internet Web site.

STATUS:

02/24/2015 INTRODUCED.
03/09/2015 To ASSEMBLY Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION: Support.

5. AB 616 **AUTHOR:** Campos [D]
TITLE: Student Financial Aid: State Work-Study Program
LOCATION: Assembly Higher Education Committee
CODE SECTION:
An act to amend Section 69960 of the Education Code, relating to student financial aid.

SUMMARY:

Amends existing law providing for a State Work-Study Program to provide eligible college and university students with an opportunity to earn money to help defray their educational costs while gaining experience in certain employment. Changes a restriction regarding occupation of work-study positions by regular employees.

Existing law establishes the California State Work-Study Program, under the administration of the Student Aid Commission, to provide eligible college and university students with an opportunity to earn money to help defray their educational costs while gaining valuable experience in educationally beneficial or career-related employment. The program requires a participating institution to ensure that each work-study position meets specified conditions, including ensuring that no position filled by a work-study student has been occupied by a regular employee during the current or immediately preceding 12 months. This bill would change this time period, regarding a position to be filled by a work-study student, to the current or immediately preceding 6 months.

STATUS:

02/24/2015	INTRODUCED.
03/26/2015	To ASSEMBLY Committee on HIGHER EDUCATION.
03/26/2015	From ASSEMBLY Committee on HIGHER EDUCATION with author's amendments.
03/26/2015	In ASSEMBLY. Read second time and amended. Re-referred to Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION: Support in concept.

6. AB 721 **AUTHOR:** Medina [D]
 TITLE: Student Financial Aid: Private Student Loans
 COMMITTEE: Assembly Higher Education Committee
 HEARING: 04/07/2015 1:30 pm
 CODE SECTION:

An act to amend Sections 69800 and 69800.5 of, and to add Section 69800.2 to, the Education Code, relating to student financial aid.

SUMMARY:

Requires the public, private, or independent institution to make available on its Internet Web site specified student loan debt statistics on graduates, and to provide students information concerning unused federal student loan moneys available to them before processing their private loans.

Existing law requires a public, private, or independent postsecondary educational institution, except the California Community Colleges, to make specified disclosures related to private student loans in financial aid material and private loan applications provided or made available by the institution, to distinguish private loans from federal loans in individual financial aid awards, and, if the institution provides a private loan lender list, to provide general information about the loans available through the lender and disclose the basis for each lender's inclusion on the list.

This bill would require the public, private, or independent institution to make available on its Internet Web site specified student loan debt statistics on graduates, to provide students information concerning unused federal student loan moneys available to them before processing their private loans, and, if the institution does not participate in federal student loan programs, to inform students that they may be eligible for federal student loans at participating institutions and provide them information regarding Cal Grants and federal student aid. The bill would make non-substantive and conforming changes.

STATUS:

02/25/2015 INTRODUCED.
03/12/2015 To ASSEMBLY Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION: Support.

7. AB 831 **AUTHOR:** Bonilla [D]
TITLE: Student Financial Aid: Cal Grant Program
URGENCY yes
CLAUSE:
COMMITTEE: Assembly Higher Education Committee
HEARING: 04/07/2015 1:30 pm
CODE SECTION:

An act to amend Sections 66021.2 and 69432 of the Education Code, relating to student financial aid, and declaring the urgency thereof, to take effect immediately.

SUMMARY:

Changes the maximum Cal Grant awards for students attending private nonprofit postsecondary educational institutions, commencing with the 2015-16 award year.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Existing law specifies the amounts of the maximum Cal Grant A and B awards for students attending private nonprofit postsecondary educational institutions and private for-profit postsecondary educational institutions that are regionally accredited, as specified.

This bill would change, in accordance with a prescribed formula, the maximum Cal Grant awards for students attending private nonprofit postsecondary educational institutions, commencing with the 2015-16 award year. The bill would impose requirements on private nonprofit postsecondary educational institutions to provide specified data to a specified association as a condition for the funding of Cal Grant maximum awards to their students, and would require the association to report on that information to the Legislature, the Governor, the Department of Finance, and the Legislative Analyst's Office.

The bill would also make conforming changes. This bill would declare that it is to take effect immediately as an urgency statute.

Specifically the bill establishes the maximum Cal Grant award amount for students attending private nonprofit institutions 75% of the base funding per Cal Grant student at the UC and the CSU (the average state support per student plus the average Cal Grant award for UC and CSU), and phases in the maximum amounts as follows:

- a) \$9,084 for 2015-16.
- b) 70% of the amount calculated pursuant to (2) for 2016-17.
- c) 80% of the amount calculated pursuant to (2) for 2017-18.

d) 90% of the amount calculated pursuant to (2) for 2018-19.

e) 100% of the amount calculated pursuant to (2) for 2019-20 and each year thereafter.

Finally, the bill provides that the maximum award for new Cal Grant recipients attending for-profit institutions accredited by the Western Association of Schools and Colleges is \$8,056.

STATUS:

02/26/2015

INTRODUCED.

03/12/2015

To ASSEMBLY Committee on HIGHER EDUCATION.

SUPPORT:

Association of Independent California Colleges and Universities
American Federation of State, County and Municipal Employees, AFL-CIO
Association of Independent California Colleges and Universities
Biola University
California Institute of Technology
California Lutheran University
Charles Drew University of Medicine and Science
Claremont Graduate University

College Options
Dominican University of California
Fielding Graduate University
Fresno Pacific University
La Sierra University
Loyola Marymount University
Mills College
Marymount California University
Mount Saint Mary's University
Pepperdine University
Point Loma Nazarene University
Sacramento Metropolitan Chamber of Commerce
Saint Mary's College of California
Samuel Merritt University
San Diego Christian College
Santa Clara University
Simpson University
Stanford University
University of La Verne
University of San Diego
University of the Pacific
Vanguard University
William Jessup University

Opposition:

California State Student Association

STAFF RECOMMENDATION:

Support in concept. Staff continues to work on analysis regarding the long term effects of the implementation of the formula. The Commission supported similar legislation in the 2014-2015 legislative session. Last year, CSAC staff estimated that increasing Cal Grant award levels for private, WASC-accredited colleges would result in additional costs of \$12.3 million in 2015-16, \$34.9 million in 2016-17, \$65.3 million in 2017-18, and \$102 million in 2018-19 (General Fund).

8. AB 1091 **AUTHOR:** Garcia E [D]
TITLE: Student Financial Aid
FISCAL yes
COMMITTEE:
URGENCY no
CLAUSE:
DISPOSITION: Pending
LOCATION: Assembly Higher Education Committee
CODE SECTION:

An act to add Sections 69433.91 and 69519.2 to the Education Code, relating to student financial aid.

SUMMARY:

Requires the Student Aid Commission to develop and make available on its Internet Web site to each school district, a graduation verification template for the district to input and upload graduation data concerning its pupils use by the Commission, and a report that lists the names of all grade 12 pupils in a district who have and have not completed the Free Application for Federal Student Aid or the California Dream Act application and align the information between specified entities used for Cal Grants.

The Cal Grant Program establishes the Cal Grant A and Cal Grant B Entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C award, and the Cal Grant T award under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

This bill would require the commission to: (1) develop and make available on its Internet Web Site to each school district, a graduation verification template for the school district to input and upload graduation data concerning its pupils for use by the commission, and a report that lists the names of all grade 12 pupils within a school district who have and have not completed the Free Application for Federal Student Aid or the California Dream Act application for use by the school district, and (2) align the collection and reporting of information between the United States Department of Education's Free Application for Federal Student Aid system, the commission, and school districts, that is used to determine whether applicants are eligible for Cal Grants and whether to issue Cal Grant awards.

STATUS:

02/27/2015	INTRODUCED.
03/26/2015	To ASSEMBLY Committee on HIGHER EDUCATION.
03/26/2015	From ASSEMBLY Committee on HIGHER EDUCATION
03/26/2015	In ASSEMBLY. Read second time and amended. Re-referred to Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION:

Support with amendments that account for CSAC operational costs for implementation. SPMC staff is currently meeting with the author's office.

9. AB 1361 **AUTHOR:** Burke [D]
TITLE: Student Financial Aid Cal Grant Program Veterans
LOCATION: Assembly Higher Education Committee
CODE SECTION:

An act to amend Sections 69436 and 69437.6 of the Education Code, relating to student financial aid.

SUMMARY:

Removes the age barrier for Veterans to participate in the Transfer Cal Grant Entitlement Program.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

Under the California Community College Transfer Cal Grant Entitlement Program, a student who transfers from a California community college to a qualifying institution that offers a baccalaureate degree and who was not awarded a Cal Grant A or B Entitlement award, receives a Cal Grant A or B award if, at the time of the transfer, the student meets specified requirements, among which is a requirement that the student not be 28 years of age or older by December 31 of the award year.

This bill would provide that the requirement that a student not be 28 years or older by December 31 of the award year, as described above, would not apply to a former member of the Armed Forces of the United States, as defined, who was seeking a Cal Grant A or B award under this provision, unless he or she received a dishonorable or bad conduct discharge..

STATUS:

02/27/2015 INTRODUCED.
03/23/2015 To ASSEMBLY Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION: Support.

10. AB 1366 **AUTHOR:** Lopez [D]
TITLE: Public Postsecondary Education: Dream Resource Centers
LOCATION: Assembly Higher Education Committee

CODE SECTION:

An act to add Section 68130.6 to the Education Code, relating to public postsecondary education.

SUMMARY:

Requires the California Community Colleges and the California State University to create Dream Resource Centers on each campus to assist certain students by streamlining access to all available financial aid and academic opportunities for those students.

Existing law establishes the segments of the public postsecondary education system in the state, including the University of California administered by the Regents of the University of California, the California State University administered by the Trustees of the California State University, and the California Community Colleges administered by the Board of Governors of the California Community Colleges.

Existing law requires that a student, other than a nonimmigrant alien, as defined, who has attended high school in California for 3 or more years, who has graduated from a California high school or attained the equivalent thereof, who has registered at or attends an accredited institution of higher education in California not earlier than the fall semester or quarter of the 2001-02 academic year, and who, if he or she is an alien without lawful immigration status, has filed an affidavit, as specified, is exempt from paying nonresident tuition at the California Community Colleges and the California State University.

This bill would require the California Community Colleges and the California State University, and would request the University of California, to create Dream Resource Centers on each campus to assist certain students by streamlining access to all available financial aid and academic opportunities for those students. By requiring community colleges to create Dream Resource Centers, this bill would impose a state-mandated local program.

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

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

STATUS:

02/27/2015 INTRODUCED.
03/23/2015 To ASSEMBLY Committee on HIGHER EDUCATION.

STAFF RECOMMENDATION: Support.

11. AB 1529 **AUTHOR:** Veterans Affairs Committee
TITLE: National Guard Education Assistance Award Program
LOCATION: ASSEMBLY
CODE SECTION:
An act relating to student financial aid.

SUMMARY:

Expresses the intent of the Legislature to enact legislation regarding extending the National Guard Education Assistance Award Program.

Existing law establishes various student financial aid programs under the administration of the Student Aid Commission, and establishes eligibility requirements for the receipt of awards under those programs by participating students attending qualifying institutions. Existing law, until July 1, 2019, establishes the California National Guard Education Assistance Award Program, which provides financial aid to qualifying members of the California National Guard, the State Military Reserve, and the Naval Militia, under the administration of the commission. Existing law requires the Legislative Analyst, on or before January 1, 2016, to prepare and submit to the Legislature a report on the program.

This bill would express the intent of the Legislature to enact legislation regarding extending the program beyond July 1, 2019, after receiving and considering the Legislative Analyst's report.

STATUS:

03/18/2015 INTRODUCED.

STAFF RECOMMENDATION: Support.

12. SB 15 **AUTHOR:** Block [D]
 COAUTHOR(S): Allen [D], Wieckowski [D], Mitchell [D], Lara [D], Hueso [D], Hill [D], Beall [D], Wolk [D], Leno [D], Hancock [D], De Leon [D], Liu [D]
 TITLE: Postsecondary Education: Aid: Incentive Grants
 COMMITTEE: Senate Education Committee
 HEARING: 04/08/2015 9:00 am
 CODE SECTION:

An act to amend Sections 69432 and 69437 of, and to add Article 24 (commencing with Section 70045 to Chapter 2 of Part 42 of Division 5 of Title 3 of, the Education Code, relating to postsecondary education.

SUMMARY:

Increases the total number of Competitive Cal Grant A and B awards granted annually and increases the maximum tuition award amount for Cal Grant A and B for students at private nonprofit postsecondary institutions for the 2015-16 award year and each award year thereafter. Establishes the Graduation Incentive Grant Award. Provides matriculating undergraduate students at the California State University with a specified maximum number of college years of aid. Requires an annual report on the program.

(1) The Cal Grant Program establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Existing law establishes the total number of Competitive Cal Grant A and B awards granted annually at 22,500 and the maximum tuition award amount for each Cal Grant A and B award for new students attending private nonprofit postsecondary educational institution at \$9,084 for the 2014-15 award year and \$8,056 for the 2015-16 award year and each award year thereafter.

This bill would increase the total number of Competitive Cal Grant A and B awards granted annually to 30,000 and would increase the maximum tuition award amount for Cal Grant A and B for students at private nonprofit postsecondary educational institutions to \$9,084 for the 2015-16 award year and each award year thereafter.

(2) Existing law establishes the California State University, under the administration of the Trustees of the California State University, and the University of California, under the administration of the Regents of the University of California, as 2 of the segments of public postsecondary education in this state.

This bill would establish, commencing with the 2015-16 academic year, the Graduation Incentive Grant program to provide eligible matriculating undergraduate students of California State University with financial need attending a campus of the California State University with financial aid for up to 3 college years, as specified. The bill would specify the eligibility criteria and the award amounts of the Graduation Incentive Grant program. The bill would

require the California State University to make an annual report, containing specified data about the program, to the Legislature. The program would only be operative in a fiscal year if the Trustees of the California State University determine that sufficient funding has been provided for purposes of the program for that fiscal year in the annual Budget Act or another statute.

The bill would express the intent of the Legislature to appropriate funds, for the 2015-16 fiscal year, to the University of California to eliminate a specified tuition increase and to appropriate funds to both the University of California and the California State University to provide additional course offerings and support services for students.

STATUS:

12/01/2014	INTRODUCED.
01/15/2015	To SENATE Committee on EDUCATION.
03/25/2015	From SENATE Committee on EDUCATION with author's amendments.
03/25/2015	In SENATE. Read second time and amended. Re-referred to Committee on EDUCATION.

STAFF RECOMMENDATION:

Support in concept. Specifically, the Commission has historically supported proposals to increase the number of Competitive Cal Grant Awards as a part of its long term strategy.

Exhibit 20.1

The bill would prohibit a person from participating in the Assumption Program of Loans for Education and the Governor's Teaching Fellowships Program concurrently, and would require both programs to continue to be implemented as they read on January 1, 2015, for purposes of collecting payments from former program participants required to repay costs as of January 1, 2016, for failing to satisfy the requirements for participation.

STATUS:

12/30/2014	INTRODUCED.
01/15/2015	To SENATE Committee on EDUCATION.
03/18/2015	From SENATE Committee on EDUCATION with author's amendments.
03/18/2015	In SENATE. Read second time and amended. Re-referred to Committee on EDUCATION.
03/25/2015	From SENATE Committee on EDUCATION: Do pass as amended to Committee on APPROPRIATIONS. (8-0)

VOTES:

03/25/2015	Senate Education Committee	P 8-0
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STAFF RECOMMENDATION: Support.

15. SB 134 **AUTHOR:** Hertzberg [D]
 COAUTHOR(S): Pavley [D], Alejo [D]
 TITLE: State Bar of California: Voluntary Fee Collection
 LOCATION: Senate Judiciary Committee
 CODE SECTION:
 An act to amend Section 6032 of the Business and Professions Code, relating to attorneys.

SUMMARY:

Authorizes the State Bar to collect voluntary fees on behalf of, and for the purposes of funding, the Public Interest Attorney Loan Repayment Program.

Existing law, the State Bar Act, provides for the licensure and regulation of attorneys by the State Bar of California, a public corporation. Existing law authorizes the State Bar to collect annual membership dues and voluntary fees, as specified. Existing law creates the Public Interest Attorney Loan Repayment Program, which is administered by the Student Aid Commission, to provide loan repayment assistance for licensed attorneys who practice or agree to practice in public interest areas of the law in California.

This bill would expressly authorize the State Bar to collect voluntary fees on behalf of, and for the purpose of funding, the Public Interest Attorney Loan Repayment Program.

STATUS:

01/22/2015 INTRODUCED.
02/05/2015 To SENATE Committee on JUDICIARY.

STAFF RECOMMENDATION: Support.

16. SB 380 **AUTHOR:** Allen [D]
 TITLE: Topline Teacher Recruitment and Retention Program
 LOCATION: Senate Rules Committee
 CODE SECTION:

An act to add Article 24 (commencing with Section 70050) to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, relating to student financial aid.

SUMMARY:

States the intent of the Legislature to enact legislation to establish the Topline Teacher Recruitment and Retention Program, under the administration of the Student Aid Commission, which would make funds available to students at public postsecondary educational institutions who have graduated in the top 5% of their secondary school classes and have committed to teaching in public secondary schools for a specified number of years.

Existing law establishes the Student Aid Commission as the state agency charged with the responsibility of administering student financial aid programs, including the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, the Assumption Program of Loans for Education, the State Nursing Assumption Program of Loans for Education, the Graduate Assumption Program of Loans for Education, and the Middle Class Scholarship Program, among other programs. This bill would express the intent of the Legislature to enact legislation to establish the Topline Teacher Recruitment and Retention Program, under the administration of the Student Aid Commission, which would make funds available to students at public postsecondary educational institutions who have graduated in the top 5% of their secondary school classes and have committed to teaching in public secondary schools for a specified number of years.

STATUS:

02/24/2015 INTRODUCED.
03/05/2015 To SENATE Committee on RULES.

STAFF RECOMMENDATION:

Watch. Staff has requested specific information from the author's office regarding the Topline Teacher Recruitment and Retention Program.

17. SB 791 **AUTHOR:** Hertzberg [D]
 TITLE: Student Financial Aid: Golden State Scholarshare Trust
 COMMITTEE: Senate Education Committee
 HEARING: 04/08/2015 9:00 am
 CODE SECTION:
 An act to add Section 69984.3 to the Education Code, relating to student financial aid.

SUMMARY:

Requires the Scholarshare Investment Board to enter into an agreement with a card issuer, to require the granting, based on accumulated credit card use, of a reasonable award, or points leading to an award, that would be deposited into Scholarshare trust accounts.

The Golden State Scholarshare Trust Act establishes the Golden State Scholarshare Trust, under the administration of the Scholarshare Investment Board. Under existing law, parents and others may invest tax-deferred funds with the trust for the purpose of providing financial resources to eventually meet the postsecondary education costs of beneficiaries.

This bill would require the Scholarshare Investment Board to enter into an agreement with a card issuer, as defined, to require the granting, based on accumulated credit card use, of a reasonable award, or points leading to an award, that would be deposited into Scholarshare trust accounts, as specified.

STATUS:

02/27/2015 INTRODUCED.
03/19/2015 To SENATE Committee on EDUCATION.

STAFF RECOMMENDATION: Support.

CSAC Bill Status Tracker 2015

Bill	Author	Subject	First House				Second House				Gov Sig	Status
			Policy Com	Fiscal Com	Floor	Rules	Policy Com	Fiscal Com	Floor	Concurrence		
AB 1091	Garcia	Graduation Template and Other Changes	X									Assembly Higher Ed
AB 1361	Burke	Vets- Remove age gap on transfer entitlement	X									Assembly Higher Ed
AB 1366	Lopez	Fund Dream Resource Centers	X									Assembly Higher Ed
AB 1529	Vet Affair CMTE	Extend National Guard Ed Assist Program										Introduced
AB 200	Alejo	Increase Competitive to 100K awards	X	X								Suspense
AB 206	Stone	DREAM Work Study	X									Assembly Higher Ed
AB 25	Gipson	Small Cohort Exemption (Re Charles Drew U)	X	X								Assembly Appropriations
AB 573	Medina	Eligible / Ineligible List on website	X									Assembly Higher Ed
AB 616	Campos	Fund and activate State Work Study program	X									Assembly Higer Ed
AB 721	Medina	Student Loan Debt List on segment websites	X									Assembly Higher Ed
AB 831	Bonilla	Restore Non-Profit Cal Grant amount	X									Assembly Higher Ed
SB 134	Hertzberg	Funding and reinstatement of law LRAP	X									Senate Judiciary
SB 15	Block	Increase Competitive by 7k to 30k	X									Senate Education
SB 380	Allen	Topline Teacher Recruitment										Senate Rules
SB 62	Pavley	APLE and Teacher Grant program changes	X	X								Senate Appropriations
SB 791	Hertzberg	Scholarshare / Credit Card Reward Points										Senate Rules
SB 42	Liu	Replace CPEC with new Commission	X	X								Senate Appropriations
SB 295	De Leon	College Access Tax Credit Fund	X									Sen. Government and Finance

Update on federal legislation affecting Commission programs

Federal

With Republicans controlling both the House and Senate, the direction higher education policy is expected to shift significantly in the coming years. The Senate has indicated a more moderate approach to reforming higher education than has the House, but both bodies agree on several key reform ideas. It is important to note that in the draft budget resolution, the House has included language indicating their intent seek reconciliation. The reconciliation process allows major policy changes to be inserted in the budget, and requires only a majority vote to pass. This is the same process that the current administration used to pass several contentious policies despite Republican opposition, including eliminating banks from the federal loan process and passing key elements of the Affordable Care Act. Should the Republicans pursue this strategy, any policy with a budget impact can be inserted into the budget resolution separate from the normal legislative process.

House Republican Agenda

- Expand IPEDS data collection requirements to include more information on “non-traditional” students.
- Eliminate duplicate data collection efforts from various Department of Education programs and ensure that data presented to the public is consistent across all sources.
- Prevent a Federal Government mandated college rating system.
- Simplify the FAFSA and create a single grant program and a single loan program for students.
- Eliminate the various loan repayment programs, and replace them with a single standard repayment plan and a single income based repayment plan.
- Implement a “Flex Pell Grant” which provides the student their total Pell eligibility for 6 years, and allows them to draw it down as needed.
- Freeze the Pell at its current level for 10 years.
- Change education policies to encourage online and competency-based education programs.
- Reduce the role of the federal government by eliminating recent requirements related to gainful employment and college ratings, as well as allowing states to create their own accreditation bodies.

Senate Republican Agenda

- Require colleges to have “skin in the game” in order to bring college costs and borrowing under control.
 - There are many ideas they have been discussed, including
 - Shifting a percentage of the loan guarantee from the federal government to campuses.
 - Creating a Federal Student Aid Insurance Fund that colleges would pay into yearly, the premiums for which would be set based on risk factors such as the percentage of student borrowers, withdrawals, non-completes and defaults.
- Reform the way data is collected and used in higher education.
 - Eliminate data collection that is not directly used for federal program management or consumer decision making.

- Prevent the same data from being collected separately for multiple programs (reuse data efficiently).
- Create information sharing processes between government agencies in order to streamline information collection and student tracking.
- Create a single information portal for all higher education data.
- Limit the amount of data the government can store on students to that which is necessary to operate and manage federal programs.

President's Proposed Budget Higher Education Highlights

Pay As You Earn Expansion and Reform:

- Eliminating the standard payment cap under PAYE so that high-income, high-balance borrowers pay an equitable share of their earnings as their income rises;
- Calculating payments for married borrowers filing separately on the combined household Adjusted Gross Income;
- Capping Public Service Loan Forgiveness (PSLF) at the aggregate loan limit for independent undergraduate students to protect against institutional practices that may further increase student indebtedness, while ensuring the program provides sufficient relief for students committed to public service
- Establishing a 25-year forgiveness period for borrowers with balances above the aggregate loan limit for independent undergraduate students;
- Preventing payments made under non-income driven repayment plans from being applied toward PSLF to ensure that loan forgiveness is targeted to students with the greatest need
- Capping the amount of interest that can accrue when a borrower's monthly payment is insufficient to cover interest costs, to avoid ballooning loan balances.

\$75 Million increase for College Success Grants

- This new competitive program aims to support the implementation of sustainable strategies, processes and tools, including those based on technology upgrades, to reduce costs and improve outcomes for students. Grants would go to Historically Black Colleges or Universities and other Minority-Serving Institutions.

\$ 4 Billion State Higher Education Performance Fund

- These competitive state grants would encourage systemic efforts to make higher education more affordable and increase college access and success, particularly for low-income students. Funds could be used to support and scale up effective and innovative practices that improve access and success at public colleges and universities while reducing cost per degree. States would receive up to four years of funding, and would match their federal grants, dollar-for-dollar, for a total of \$8 billion in four years.

\$7 Billion over 10 years for College Opportunity and Graduation Bonus

- To reward colleges that successfully enroll and graduate a significant number of low- and moderate-income students on time and encourage all institutions to improve their performance, the new College Opportunity and Graduation Bonus program would provide an annual grant to eligible institutions based on their number of on-time graduates that receive Pell Grants. This new initiative would support innovations, interventions, and reforms to further increase college access and success, such as providing additional need-based financial aid, enhancing academic and student support services, and implementing technology-based or other accelerated learning opportunities.

President's America's College Promise Proposal

Provides 2 years of free community college education to qualified students

- Federal funds would cover .75 the tuition cost of community college, with the states expected to cover the remainder.
- States will be required to maintain investment in higher education, coordinate high school and colleges to reduce the need for remediation and allocate funding based on performance, not attendance alone.
- To qualify, students must be:
 - Enrolled at least half-time
 - Maintain a 2.5 GPA
 - Continue to make steady progress toward completing their education goal