

Information/Action Item

GRANT ADVISORY COMMITTEE

Proposed 2005-06 Income and Asset Ceilings

Current Law requires the commission, beginning in 2001-02, to annually adjust the income and asset ceilings as specified in statute – SB 1644 (Chapter 69432.7) requires that these two factors be adjusted by California per capita income.

This enclosure reflects the proposed 2005-2006 grant program income and asset ceilings.

Recommended Action: Review and recommend Commission approval of the proposed income and asset ceilings.

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PROPOSED 2005-2006 GRANT PROGRAM INCOME AND ASSET CEILINGS

Education Code Section 69432.7 (k)

The Commission shall annually adjust the maximum household income and household asset levels based on the change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution.

California Constitution Article 13 B: Government Spending Limitation

SEC. 8. (e) (1) "Change in the cost of living" for the State, a school district, or a community college district means the percentage change in California per capita personal income from the preceding year."

2005-06 Cal Grant Program Income and Asset Ceilings

In April 2004, the Department of Finance revised the per capita income data for 1969 through 2003. The September forecast of the 2004 per capita income is \$34,748, 2.96 percent higher than the adjusted 2003 income of \$33,749.

The proposed ceilings below were calculated using the 2.96 percent increase.

**TABLE 1
PROPOSED 2005-2006 INCOME CEILINGS**

	Cal Grant A, C, and T	Cal Grant B
Dependent and Independent students with dependents*		
Family Size		
Six or more	\$80,400	\$44,200
Five	\$74,500	\$40,900
Four	\$69,600	\$36,600
Three	\$64,000	\$32,900
Two	\$62,500	\$29,200
Independent		
Single, no dependents	\$25,500	\$25,500
Married	\$29,200	\$29,200

Income levels have been rounded.

* Applies to independent students with dependents *other* than a spouse.

2005-2006 ASSET CEILINGS

	Cal Grant A, C, and T	Cal Grant B
Dependent**	\$53,800	\$53,800
Independent	\$25,600	\$25,600

Asset levels have been rounded.

** These asset ceilings also apply to independent with dependents *other* than a spouse.

CAL GRANT A, C, AND T INCOME CEILINGS

	2003-04	2004-05	2005-06*
Dependent students and Independent students with dependents other than a spouse			
Family size:			
Six or more	\$77,100	\$78,100	\$80,400
Five	\$71,500	\$72,400	\$74,500
Four	\$66,700	\$67,600	\$69,600
Three	\$61,400	\$62,200	\$64,000
Two	\$60,000	\$60,700	\$62,500
Independent students			
Single, no dependents	\$24,500	\$24,800	\$25,500
Married, no other dependents	\$28,000	\$28,300	\$29,200

* Proposed

** These ceilings also apply to independent students with dependents other than a spouse.

CAL GRANT B INCOME CEILINGS

	2003-04	2004-05	2005-06*
Dependent students and Independent students with dependents other than a spouse			
Family size:			
Six or more	\$42,400	\$42,900	\$44,200
Five	\$39,200	\$39,700	\$40,900
Four	\$35,100	\$35,500	\$36,600
Three	\$31,500	\$31,900	\$32,900
Two	\$28,000	\$28,300	\$29,200
Independent students			
Single, no dependents	\$24,500	\$24,800	\$25,500
Married, no other dependents	\$28,000	\$28,300	\$29,200

* Proposed

** These ceilings also apply to independent with dependents other than a spouse.

CAL GRANT ASSET CEILINGS

	2003-04	2004-05	2005-06*
Dependent**	\$51,600	\$52,300	\$53,800
Independent	\$24,600	\$24,900	\$25,600

* Proposed

** These ceilings also apply to independent with dependents other than a spouse.