

**CALIFORNIA STUDENT AID COMMISSION
P.O. Box 419029
Rancho Cordova, CA 95741-9029**

**AMENDMENT TO TITLE 5, CA CODE OF REGULATIONS REGARDING
CALIFORNIA NATIONAL GUARD EDUCATION ASSISTANCE AWARD PROGRAM
(CNG EAAP)
(EDUCATION CODE 69999.10 *et seq.*)**

NOTICE OF PROPOSED RULEMAKING

NATURE OF PROCEEDING

Notice is given that the California Student Aid Commission (Commission) is proposing to take the action described in the Informative Digest.

A public hearing regarding this proposal is currently not scheduled. However, any interested person or duly authorized representative may request, no later than 15 days before the close of the written comment period that a public hearing be scheduled.

Following the public hearing, if one is requested, or following the written comment period, if no public hearing is requested, the Commission, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days before its adoption from the persons designated in this Notice as contact persons and will be mailed to those persons who submit written comments related to this proposal, or who provide oral testimony if a public hearing is held, or who have requested notification of any changes to the proposal.

Notice is given that the California Student Aid Commission (Commission) is proposing to take the action described in the Informative Digest.

Notice is also given that any interested person, or his or her authorized representative, may submit written comments relevant to the proposed emergency regulatory action to:

California Student Aid Commission
Attention: Kathy Spencer
P. O. Box 419029
Rancho Cordova, CA 95741-9029

Comments may also be submitted by facsimile (FAX) at (916) 464-8240 or by e-mail to CNGRegsComment@csac.ca.gov. Comments must be submitted before 5:00 P.M. on October 4, 2010.

AUTHORITY AND REFERENCE

Pursuant to the authority vested by section 69999.22 of the Education Code, and to implement, interpret, or make specific sections 69999.10-69999.30 of the Education Code, the Commission is considering changes to Division 4 of Title 5 of the California Code of Regulations as follows: add sections 30730-30736 to implement, interpret, and make specific sections 69999.10-69999.30 of the Education Code establishing the California National Guard Education Assistance Award Program (CNG EAAP).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The California National Guard performs an essential public purpose in protecting the health, safety, and property of California’s citizens, and in order to fulfill its objectives, it is necessary for the California National Guard to have sufficient human resources to deal with a natural or human-caused disasters and emergencies. It is the intent of Legislature to provide an inducement to members of the California National Guard to maintain the required strength in the California National Guard.

The proposed regulations would implement, interpret, and make specific the elements of CNG EAAP. Specifically, the proposal would:

1. Establish the identification of the initial application;
2. Specify applicant’s desired certificate, degree and/or diploma;
3. Specify on the initial application the statutory two year active membership requirement;
4. Establish a renewal application;
5. Establish a deadline for the renewal application;
6. Specify information needed on renewal application from participants to continue participation in the program;
7. Establish the requirements for submission of renewal application;
8. Specify the term for reporting veteran’s educational benefits;
9. Specify that disbursements can not be received for both the CNG EAAP and Cal Grant award for the same academic year; and
10. Specify the consequences of a program participant’s failure to comply with the submission of a renewal application.

There are no comparable provisions of federal law related to this proposal.

OTHER STATUTORY REQUIREMENT

The Commission, in consultation with the Military Department developed the proposed regulation text for the CNG EAAP.

LOCAL MANDATE

This proposal does not impose a mandate on local agencies or school districts.

FISCAL IMPACT ESTIMATES

This proposal does not impose costs on any local agency or school district for which reimbursement would be required pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. This proposal does not impose other nondiscretionary cost or savings on local agencies. This proposal does not result in any cost or savings in federal funding to the state.

COSTS OR SAVINGS TO STATE AGENCIES: None

EFFECT ON HOUSING COSTS: None

BUSINESS IMPACT / SMALL BUSINESSES

The Commission has made a determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. The proposal would impose no costs upon business. The proposal does not affect small businesses as defined by California Government Code Section 11342.610. This proposal would not affect private sector or small business due to the population the program targets which is active members of the California National Guard, State Military Reserve, and Naval Militia.

ASSESSMENT REGARDING EFFECT ON JOBS / BUSINESSES

The Commission has determined that this regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

COST IMPACT ON REPRESENTATIVE PERSON OR BUSINESS

The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

BUSINESS REPORT

This regulatory proposal does not require a report.

ALTERNATIVES

The Commission has determined that no reasonable alternative considered by the agency, or that has otherwise been identified and brought to the agency’s attention, would be more effective in carrying out the purpose for which the adoption of this regulation is proposed, or would be as effective as and less burdensome to affected private persons that the proposed action.

CONTACT PERSON

Inquires concerning the proposed adoption of the regulations and written comments may be directed to:

Kathy Spencer
California Student Aid Commission
P.O. Box 419029
Rancho Cordova, CA 95741-9029

(916) 464-3021
(916) 464-8240 Facsimile

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and all the information upon which the proposal is based may be obtained upon request from:

California Student Aid Commission
P. O. Box 419029
Rancho Cordova, CA 95741-9029

These documents may also be viewed and downloaded from the Commission's Web site at www.csac.ca.gov.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Commission has prepared an Initial Statement of Reasons for the proposed action and has available all the information upon which the proposal is based.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting:

Kathy Spencer
California Student Aid Commission
P.O. Box 419029
Rancho Cordova, CA 95741-9029

Kristen Trimarche
California Student Aid Commission
P.O. Box 419029
Rancho Cordova, CA 95741-9029

(916) 464-3021
(916) 464-8240 Facsimile

(916) 464-6461
(916) 464-8240 Facsimile

You may obtain a copy of the Final Statement of Reasons once it has been prepared, by making a written request to the contact person named above.

WEBSITE ACCESS

Materials regarding this proposal can be found at www.csac.ca.gov.