

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

**TITLE 5, DIVISION 4, CHAPTER 1, CA CODE OF REGULATIONS
AMEND SECTIONS 30920, 30921, 30922, 30924, 30925, 30920 and 30923
REGARDING STATE NURSING ASSUMPTION PROGRAM OF LOANS FOR EDUCATION
FOR NURSES IN STATE FACILITIES**

INITIAL STATEMENT OF REASONS

INTRODUCTION

In 2007, the Legislature passed and the Governor signed SB 139, a bill that amended sections 70120, 70124, 70125, and 70128.5 of the Education Code. The changes in law enacted by SB 139 became effective on January 1, 2008. These amended statutes allow a person who has successfully completed an accredited program of professional preparation for licensing as a registered nurse in California to enter into an agreement for loan assumption under the State Nursing Assumption Program of Loans for Education for Nurses in State Facilities (SNAPLE NSF) provided that they are not currently employed as a registered nurse in a state operated 24-hour facility. Pursuant to the authority provided in Education Code section 70125 to adopt rules and regulations to administer the SNAPLE NSF program the Commission proposes to amend Title 5, Division 4, Chapter 1, of the California Code of Regulations, sections 30920 and 30921. The purpose of these amendments is to accommodate the statutory changes enacted by AB 139.

Pursuant to the authority provided in Education Code section 70125 the Commission adopted California Code of Regulations Title VI, Division 4, Chapter 1 section 30920 et seq to implement, interpret, and make specific the requirements established in Education Code sections 70120-70129. The content of the SNAPLE NFS forms for applicants, eligible institutions, and participants are included in sections 30921, 30922, 30924, 30925, and 30927. The Commission has identified several areas that require additional information and certifications from applicants and nominating institutions to administer the program. The Commission also recognized the necessity to establish an application deadline to assure that it can select the most qualified applicants in the event there are more applicants than can be selected for participation. It proposes to amend sections 30921, 30922, 30924, and 30925 to specify additional information the it will requests from applicants on the application, modify the content of the loan assumption agreements, amend the certifications required by eligible institutions, establish a June 30th deadline for application submission, and modify the data collected to project future funding level required.

SPECIFIC PURPOSE OF EACH SECTION – GOVERNMENT CODE 11346.2(b)(1)

The specific purpose of each proposed amendment, and the rationale for the determination that each amendment is reasonably necessary to carry out the purpose for which it is proposed, is as follows:

Proposed Amendments to Section 30920(c) clarifies that a person who is currently employed as a registered nurse in a state-operated 24-hour facility is excluded from entering into an agreement for loan assumption pursuant to Education Code, section 70120.

Proposed Amendment to Section 30921(a) includes an application deadline. Applicants must comply with the deadline to be considered for an award. This allows the Commission more time to process applications, follow up on any missing information, and select the most qualified applicants in the event there are more applicants than can be selected for participation. Currently, there is no established deadline so the Commission continues to accept applications until the date awards are made leaving no time for follow up.

Proposed Section 30921(a) (8) clarifies that an applicant must provide his or her ethnicity at the time of application. This is pursuant to Education Code, section 70126, which requires the Commission to report to the legislature annually regarding a participant's sex, age, ethnicity, and type of professional preparation program they are attending or have attended.

Proposed Section 30921(a) (9) clarifies that an applicant must provide his or her gender at the time of application. This is pursuant to Education Code, section 70126, which requires the Commission to report to the legislature annually regarding a participant's sex, age, ethnicity, and type of professional preparation program they are attending or have attended.

Proposed Section 30921(a) (10) clarifies that an applicant must provide the type of program the applicant is attending or has attended at the time of application. This is pursuant to Education Code section 70126, which requires the Commission to report to the legislature annually regarding a participant's sex, age, ethnicity, and type of professional preparation program they are attending or have attended.

Proposed Section 30921(a) (11) clarifies that an application must report if they are currently working at a state operated facility as a registered nurse and the date that employment commenced. This is necessary to exclude applicants who are already employed as registered nurses in state-operated 24-hour facilities from applying for the SNAPLE NSF program as required by Education Code, section 70120.

Proposed Section 30921(a) (12) clarifies that an applicant must report the name of the college the eligible applicant is attending or has attended. This is necessary so that the Commission can determine if the applicant is attending an eligible institution that participates in state and federal financial aid programs and maintains an accredited program of professional preparation for licensing as a registered nursing in California pursuant to Education Code, section 70120(a) (2).

Proposed Section 30921(a) (13) clarifies that an applicant must report their college's federal school code. There are many colleges with the same name so this field is necessary to verify which school the applicant is attending.

Proposed Amendments to Section 30922(a) includes a June 30th deadline so that institutions understand that only certifications received by the deadline will be considered for participation in the program. This is necessary to ensure that the Commission can select the

most qualified applicants in the event there are more applicants than can be selected for participation.

Proposed Amendments to Section 30922(a) (6) requires eligible institutions report the applicant's completion date. The information is necessary in order to project funding for future years since applicants may have completed their educational requirements at the time of application.

Proposed Section 30922(a) (7) requires eligible institutions to certify that the institution is eligible to participant in state and federal financial aid programs. This is necessary to ensure that an institution meets the required by Education Code, section 70120(a).

Proposed Section 30922(a) (8) requires eligible institutions to certify that they maintain an accredited program of professional preparation for licensing as a registered nurse in California. This is necessary to ensure that the institution meets the required by Education Code, section 70120(a) (2) (B).

Proposed Section 30922(a) (9) requires the applicant's name to be included on the nomination form. This is necessary for the Commission to identify each applicant's nomination separately from any other applicant's nomination.

Proposed Section 30922(a) (10) requires the applicant's Social Security Number is included on the nomination form. This is necessary for the Commission to identify each applicant's nomination separately from any other applicant's nomination.

Proposed Amendments to Section 30923(a) specifies the Commission will select participants from eligible applicants nominated by the June 30th deadline. This amendment will ensure that it can select the most qualified applicants in the event there are more applicants than can be selected for participation. If a maximum authorized allocation established by Education Code section 70125 is not exhausted after the award process, CSAC may continue to accept nominations after the deadline and select program participants based on the date the nominations are received by CSAC. Selection from among nominated students may continue even after the completion of the initial award process until the maximum authorized allocation is exhausted.

Proposed Section 30924(g) (A) requires the participant's certification that he or she understands the consequences of failing to comply with the loan assumption agreement as specified in section 30926. Participants need to be aware of the consequences that will be imposed; therefore, the consequences should be included on the loan assumption agreement.

Proposed Section 30924(g) (B) requires the participant's to certify that he or she understands the requirements to redeem his or her loan assumption agreement. Participants should be informed of the requirements to redeem his or her loan assumption agreement as specified in section 30925; therefore, it is necessary to include these requirements on the loan assumption agreement.

Proposed Section 30924(g) (C) requires a participant's certification that he or she understands that his or her institution must be eligible for state and federal aid pursuant to Education Code 70120. Participants should be aware of this eligibility requirement; therefore it should be included on the loan assumption agreement.

Proposed Section 30924(g) (D) requires a participant's certification that he or she understands he or she must respond to the Commission within ten business days of receipt of the request. This requirement is essential for the Commission to receive the information in a timely manner in order to make funding projections, process payments, and determine continued program eligibility. Therefore, it is necessary to include this requirement on the loan assumption agreement.

Proposed Section 30924(g) (E) requires a participant's certification that he or she understands he or she must report any change in status that may affect his or her SNAPLE NF eligibility. This requirement is critical for the Commission to receive the most up to date information that may affect a participant's eligibility for payment; therefore, this requirement should be included on the loan assumption agreement.

Proposed Section 30924(g) (F) requires a participant's certification that he or she understands that he or she must comply with all laws and regulations applicable to the program. Participants should be aware of all laws and regulations applicable to the program; therefore, the loan assumption agreement should contain language that explains participants must comply with all laws and regulations of the program.

Proposed Section 30924(g) (G) requires a participant's certification that he or she understands that he or she will be required to reimburse the Commission if it is determined that a loan assumption payment was authorized based on misleading or incorrect information. This requirement will allow the Commission to collect funds made on behalf of individuals not eligible for program benefits and will encourage the reporting of accurate information. Therefore, this requirement should be included on the loan assumption agreement.

Proposed Section 30925(a) (2) (B) requires participant to list the name of the eligible position that he or she is employed as registered nurse. This information is critical to ensure that the participant is providing service in a position that is included on the list of state-operated facilities that have a nurse vacancy rate of greater than 10 percent pursuant to Education Code sections 70122.

Proposed Amendments to Section 30927 changes the data used to project future funding levels. This is necessary for tracking purposes to determine when participants are eligible for payment.