

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

**NOTICE OF PROPOSED RULEMAKING
TITLE 5, 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
(SNAPLE NSF)**

NATURE OF PROCEEDING

Notice is given that the California Student Aid Commission (CSAC) 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 California Student Aid 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 person designated in this Notice as contact person 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 also given that any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the

California Student Aid Commission
Attention: Gloria Falcon, Manager
P. O. Box 419029
Rancho Cordova, CA 95741-9029

Comments may also be submitted by facsimile (FAX) at (916) 526-8002 or by e-mail to snapple@csac.ca.gov. Comments must be submitted before 5:00 p.m. on March 10, 2008.

AUTHORITY AND REFERENCE

Pursuant to the authority vested by section 70125 of the Education Code, and to implement, interpret, or make specific sections 70120-70129 of the Education Code, the California Student Aid Commission is considering changes to Division 4 of Title 5 of the California Code of Regulations as follows: amend sections 30920, 30921, 30922, 30923, 30924, 30925, 30927 to implement, interpret, and make specific sections 70120-70129 of the Education Code

establishing the State Nursing Assumption Program of Loans for Education for Nurses in State Facilities (SNAPLE NSF).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

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 will take effect 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. 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 it will requests from applicants on the application, modify the content of the loan assumption agreements, amend the certifications required by eligible institutions, and establish a June 30th deadline for application submission.

The proposed amendments would implement, interpret, and make specific the elements of SNAPLE NSF. Specifically, the proposal would:

1. Define terms used in the regulations;
2. Establish a deadline for application submission;
3. Amend the requirements for applications to participate in the program;
4. Amend the requirements for the nominations of students for the program by accredited colleges or universities that decide to participate in the program;
5. Amend the process by which CSAC will select program participants from among nominated students;
6. Amend the requirements for loan assumption agreements between the selected program participants and CSAC;

7. Amend the requirements under which CSAC may make loan payments on behalf of the program participants;
8. Amend the consequences of a program participant's failure to complete the obligation to teach nursing;
9. Amend the development of projections for funding purposes.

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

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

CSAC has made an initial 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 Government Code section 11342.610 because the regulations apply to individual students and nurses who would be seeking to receive loan assumption agreements. Individual students and nurses are not small businesses within the meaning of Government Code 11342.610. Further, this proposal would affect a private sector or small business only if a private sector college or university voluntarily chooses to nominate its students to participate in SNAPLE NSF, and thus, chooses voluntarily to comply with the requirements for nominations.

ASSESSMENT REGARDING EFFECT ON JOBS/BUSINESSES

CSAC 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

CSAC must determine 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 than the proposed action.

CONTACT PERSON

Inquiries concerning the proposed adoption of this regulation and written comment may be directed to:

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

(916) 526-7953

or

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

(916) 526-7508

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons and all the information upon which the proposal is based may be obtained upon request from CSAC, P. O. Box 419029, Rancho Cordova, CA 95741-9029. These documents may also be viewed and downloaded from the CSAC website at www.csac.ca.gov.

INITIAL STATEMENT OF REASONS AND INFORMATION

CSAC 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 the person named above.

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.