State of California Office of Administrative Law

California Student Aid Commission

Regulatory Action:

Title 05, California Code of Regulations

Amend sections: 30520, 30523, 30524,

30526, 30527, and 30528

NOTICE OF FILING AND PRINTING ONLY

Government Code Section 11343.8

OAL Matter Number: 2023-1204-03

OAL Matter Type: File and Print Only (FP)

In this request for filing and printing pursuant to Government Code section 11343.8, the California Student Aid Commission is amending regulations pertaining to the Golden State Teacher Grant Program. This action is exempt from the Administrative Procedure Act pursuant to Education Code section 69617(g)(3).

OAL filed these regulations with the Secretary of State and will publish the regulations in the California Code of Regulations.

Date:

December 18, 2023

Steven J. Escobar Senior Attorney

Original: Marlene Garcia, Executive

Director

Copy:

Synequeen Alasa-as

For:

Kenneth J. Poque

Director

STATE OF CALIFORNIA-OFFICE OF ADMINISTRATIVE LAW For use by Secretary of State only NOTICE PUBLICATION/REGUL: STD. 400 (REV. 10/2019) NOTICE FILE NUMBER OAL FILE REGULATORY ACTION NUMBER 2023-1204-03 NUMBERS For use by Office of Administrative Law (OAL) only ENDORSEO - FILED in the office of the Secretary of State. of the State of California OFFICE OF ADMIN. LAW 2023 DEC 4 PM2:46 REGULATIONS NOTICE AGENCY WITH RULEMAKING AUTHORITY AGENCY FILE NUMBER (If any) California Student Aid Commission (CSAC) A. PUBLICATION OF NOTICE (Complete for publication in Notice Register) 1. SUBJECT OF NOTICE TITLE(S) FIRST SECTION AFFECTED 2. REQUESTED PUBLICATION DATE Golden State Teacher Grant Program 5 30520 3. NOTICE TYPE 4. AGENCY CONTACT PERSON TELEPHONE NUMBER FAX NUMBER (Optional) Notice re Proposed Synequeen Alasa-as 916-464-6411 916-464-6411 Other Regulatory Action ACTION ON PROPOSED NOTICE NOTICE REGISTER NUMBER PUBLICATION DATE OAL USE Approved as Approved as Disapproved/ ONLY Submitted B. SUBMISSION OF REGULATIONS (Complete when submitting regulations) 1a. SUBJECT OF REGULATION(S) 1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) Golden State Teacher Grant Program 2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related) ADOPT SECTION(S) AFFECTED (List all section number(s) AMEND individually. Attach 30520, 30523, 30524, 30526, 30527, 30528 additional sheet if needed.) TITLE(S) REPEAL 5 3. TYPE OF FILING Regular Rulemaking (Gov. Certificate of Compliance: The agency officer named **Emergency Readopt** Changes Without Code §11346) below certifies that this agency complied with the (Gov. Code, §11346.1(h)) Regulatory Effect (Cal. provisions of Gov. Code §§11346.2-11347.3 either Code Regs., title 1, §100) Resubmittal of disapproved before the emergency regulation was adopted or or withdrawn nonemergency within the time period required by statute. File & Print Print Only filing (Gov. Code §§11349.3, 11349.4) Other (Specify) Ed. (ode section 69617(9)(3) Resubmittal of disapproved or withdrawn Emergency (Gov. Code, §11346.1(b)) emergency filing (Gov. Code, §11346.1) 4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1] 5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100) Effective January 1, April 1, July 1, or Effective on filing with §100 Changes Without Effective other Secretary of State October 1 (Gov. Code §11343.4(a)) Regulatory Effect (Specify) 6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY State Fire Marshal Department of Finance (Form STD. 399) (SAM §6660) Fair Political Practices Commission Other (Specify) CONTACT PERSON TELEPHONE NUMBER FAX NUMBER (Optional) E-MAIL ADDRESS (Optional) Synequeen Alasa-as 916-464-6411 (916) 464-6411 rulemaking@csac.ca.gov 8. I certify that the attached copy of the regulation(s) is a true and correct copy For use by Office of Administrative Law (OAL) only of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, AUTHORIZED FOR FILING AND PRINTING or a designee of the head of the agency, and am authorized to make this certification. SIGNATURE OF AGENCY HEAD OR DESIGNEE 12/04/2023 Marlene L. Garcia

TYPED NAME AND TITLE OF SIGNATORY

Marlene Garcia, Executive Director

DEC 18 2023

Office of Administrative Law

REGULATORY TEXT

Title 5. Education
Division 4. California Student Aid Commission
Chapter 1. California Student Aid Commission
Article 12.5. Golden State Teacher Grant
Program

Note: The pre-existing regulation text is set forth below in normal type. The amendments are shown in <u>single underline</u> to indicate additions and single strikeout to indicate deletions from the existing regulatory text.

Section 30520. Definitions.

"Academic Year" means July 1 to June 30 inclusive. The starting date of a session shall determine the academic year in which it is included.

"Applicant" means a student currently Enrolled, or who is interested in enrolling, in a professional preparation program leading to a preliminary teaching credential or a pupil personnel services credential at an Institution and is interested in participating in the Golden State Teacher Grant Program.

"Application" means an application submitted by a student to the Commission for a Program award.

"California Preschool Program" means a state-funded or federally funded preschool program in California, including California state preschool programs, tribal preschool programs, and Head Start programs.

"Commission" means California Student Aid Commission.

"Eligible Applicant" means a student who has submitted an Application and has been verified as eligible to participate in the Program by their Institution, including that the student has enrolled, or applied for enrollment, on or after January 1, 2020, in a professional preparation program leading to a preliminary teaching credential or a pupil personnel services credential.

"Enrolled" means a student who has officially accepted an offer to enroll in a professional preparation program at an Institution.

"Institution" means either of the following: (1) a qualifying institution, as defined in subdivision (/) of section 69432.7 of the Education Code, that operates a professional preparation program leading to a preliminary teaching credential or a pupil personnel services credential, as described in subdivision (a) of section 69617 of the Education Code, or an educational entity that operates a professional preparation program approved by the Commission on Teacher Credentialing (CTC) with a Main Campus Location or Administrative Entity in California, including professional preparation programs operated by local educational agencies; or (2) a private postsecondary educational institution that exclusively offers on-line courses to California residents, and otherwise meets the requirements of Education Code section 69617.5 as determined by the CTC.

"Main Campus Location or Administrative Entity" means the Institution's sole or primary teaching location, or administrative entity, the duties of which include, but are not limited to, receipt and distribution of financial aid, student enrollment or registration, and academic advising.

"Maximum Award" means either of the following:

(a) a grant payment of up to \$20,000 to an Eligible Applicant of up to \$20,000 Enrolled, or who has applied for enrollment, in a professional preparation program leading to a preliminary teaching credential or pupil personnel services credential at a qualified

institution as described in subdivision (a)(1) of Education Code section 69617. The maximum award may be disbursed in more than one Academic Year, as long as the total amount of funds granted to an Eligible Applicant does not exceed \$20,000. The maximum award shall be based on the Cost of Attendance as defined below in subsections (c) and (d).÷

- (b) a grant payment of up to \$10,000 to an Eligible Applicant Enrolled in a professional preparation program leading to a preliminary teaching credential or pupil personnel services credential at a qualified institution as described in Education Code section 69617.5. The maximum award may be disbursed in more than one Academic Year, as long as the total amount of funds granted to an Eligible Applicant does not exceed \$10,000. The maximum award shall be based on the Cost of Attendance as defined in subsection (c).
- (c) (a) "Cost of Attendance" for an Eligible Applicant Enrolled in a qualifying institution, as defined in subdivision (l) of Section 69432.7 of the Education Code or as determined pursuant to Section 69617.5 of the Education Code, or a non-qualifying institution means the costs to attend the Institution as determined by the Institution for the Eligible Applicant according to federal financial aid methodology for the Academic Year.
- (d) (b) "Cost of Attendance" for an Eligible Applicant Enrolled in a teaching preparation program approved by the Commission on Teacher Credentialing with a Main Campus Location Or Administrative Entity in California, including professional preparation programs operated by local education agencies in California, means the program costs charged to the Eligible Applicant, tuition and any associated fees, housing, food, books, transportation, and personal expenses for an Academic Year. The Commission will use its Standardized Student Expense Budget to determine the Eligible Applicant's "cost of attendance."

"Pre-Enrollment Conditional Award Notice" means a Commission notice of an estimated award to an Applicant. The estimated award shall be conditioned upon the prospective student's submittal of a formal Application, enrollment in a professional preparation program, and verification of eligibility and award determination by the Institution.

"Pre-Enrollment Grant Eligibility Determination" means an Institution notice of an estimated award to an Applicant. The estimated award shall be conditioned upon enrollment in a professional preparation program and verification of eligibility and award determination by the Institution.

"Priority School" means a California elementary or secondary school with 55 (fifty-five) percent or more of its pupils being unduplicated pupils as defined in subdivision (b) of California Education Code § 42238.02. The Commission, in coordination with the California Department of Education, shall publish a list of priority schools by April 15 of each year.

"Program" means the Golden State Teacher Grant Program as described in Education Code section 69617.

"Standardized Student Expense Budget" means the annual cost of attendance developed by the Commission as required by Education Code section 69432.9(b).

- (a) A Standardized Student Expense Budget is developed for three categories of students based on where they live: students living with parents, student living on campus, and students living off campus.
- (b) All three Standardized Student Expense Budgets are calculated with the following costs:
- (1) Tuition and Fees (as determined based on the institutional charges for the program the student attends):
- (2) Books and Supplies (determined by the Commission through the semi-annual Student Expenses and Resources Survey (SEARS) as described in subdivision (c));

- (3) Food (for students living on campus, as determined based on institutional charges for the program the student attend; for all other students, as determined by the Commission through the semi-annual SEARS as described in subdivision (c));
- (4) Housing (for students living on campus, as determined based on institutional charges for the program the student attend; for all other students, as determined by the Commission through the semi-annual SEARS as described in subdivision (c));
- (5) Transportation (as determined by the Commission through the semi-annual SEARS as described in subdivision (c));
- (6) Personal Expenses (as determined by the Commission through the semi-annual SEARS as described in subdivision (c));
- (7) Child/Dependent Care (reasonable expenditures based on documentation provided by the student); and
- (8) Loan Fees (for student loans borrowers, the actual or average loan origination and insurance expenses).
- (c) Amounts for food, books and supplies, off-campus housing, transportation, and personal expenses are calculated by the Commission using the results of the SEARS. The SEARS is conducted on a semi-annual basis. The SEARS includes all CSU and UC campuses and a regional sampling of community colleges and private colleges and universities. For any institution with fewer than 1,500 students, all students are surveyed. For institutions with more than 1,500 students, a representative sample of 1,500 students are surveyed. In years when the SEARS is not conducted, the budget amounts for the expenses calculated based on the SEARS are adjusted based on the California Consumer Price Index.
- (d) For academic year 2022-23, the current Standardized Student Expense Budget can be found at: https://www.csac.ca.gov/post/student-expense-budget. For academic years 2023-24 and 2024-25, pursuant to subdivisions (b) and (c).
- "Service Agreement" means an Eligible Applicant's signed certification acknowledging and agreeing to comply with the terms of this Program as defined in statute and this Article. The agreement will include the Eligible Applicant's name, contact information (including address, phone number, and email address), the name of the program the Eligible Applicant is Enrolled in, the grant amount the Eligible Applicant is deemed eligible for, and the terms and schedule of the Eligible Applicant's potential repayment obligation.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.

Section 30523. Eligibility Determination.

- (a) The Commission shall review received Applicants Applications to ensure they are complete and meet Program requirements.
- (b) The Commission shall maintain an annual roster for each Institution. The roster shall identify all Applicants for each Institution, and Applicants who are ultimately determined eligible to receive a grant. Upon completing its initial evaluation of Applications, the Commission shall provide an updated roster to each Institution for which it has received Applications.
- (c) The Institution shall verify an Applicant's enrollment in an eligible professional preparation program within 30 calendar days of receiving all of the Applicant's required financial aid information and updated roster from the Commission. For each verified enrollment, the Institution's financial aid office, or other appropriate personnel, shall determine the Maximum Award, which does not exceed the Applicant's financial need and Cost of Attendance.
- (d) Upon the Institution's enrollment verification and determination of an award amount, the Eligible Applicant shall submit a completed and signed Service Agreement to the Commission.

- (e) An Applicant who has already received the Maximum Award is ineligible for an additional award.
- (f) Upon receiving an award, and through completion of the service obligation or repayment, the grant recipient shall provide notice to the Commission within 30 calendar days of any change in name or address, professional preparation program, or any other factor that may affect the grant recipient's continued eligibility for the Program.
- (g) Applicants determined to be ineligible for the Program shall receive written notice of the Commission's determination within 30 calendar days of receipt of the Application.
- (h) The Commission shall transmit the request for a Pre-Enrollment Grant Eligibility Determination, consistent with section 30521(b) of this Article, to all Institutions indicated on the Applicant's FAFSA/CADAA. The Institution may review the request and provide a Pre-Enrollment Grant Eligibility Determination to the Applicant. The estimated award shall be conditioned upon enrollment in a professional preparation program and verification of eligibility and award determination by the Institution.
- (i) An Eligible Applicant may receive a Program award for only one eligible professional preparation program.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.

Section 30524. Institution Responsibilities.

- (a) Each Institution shall designate a coordinator to manage the Institution's participation in the Program and provide the name and contact information for the coordinator to the Commission.
- (b) The coordinator shall provide each Applicant for enrollment in an eligible professional preparation program, with general Program information and updates regarding the Program.
- (c) (1) The coordinator shall work with the Institution's financial aid program or other Institution personnel to determine the Maximum Award for each Eligible Applicant. The Maximum Award plus any other estimated financial aid shall not exceed the Cost of Attendance. However, an award under this Article may (1) supplant subsidized or unsubsidized loans; and (2) supplant the expected family contribution to the Eligible Applicant's award package, consistent with the Institution's financial aid packaging rules. The award amount shall be based on the Academic Year for which the Applicant applies.
- (2) Institutions shall be responsible for ensuring that an Applicant who receives an award during two or more Academic Years continues to meet all eligibility requirements and that the total disbursed funds do not exceed \$20,000 or \$10,000 in the case of Eligible Applicants Enrolled in an institution meeting the requirements of Education Code section 69617.5. A new Application for subsequent Academic Years will not be required.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.

Section 30526. Payments.

- (a) The Commission will process Golden State Teacher Grant award payments upon receipt of the signed Service Agreement. Payments made through electronic funds transfer will be made directly to the Institution. Payments made through paper warrants The payment will be made in the Eligible Applicant's name in care of the Institution and mailed directly to the Institution.
- (1) The Institution may disburse the entire award to the Eligible Applicant upon evidence of the Eligible Applicant's participation in the Institution's credential program. Any such disbursement

shall be made as soon as practicable, but no longer than 30 calendar days after the Institution's receipt of the funds from the Commission.

- (2) Alternatively, the Institution may disburse the award in allotments per semester or quarter, depending on the Institution's academic schedule. If the Institution disburses the grant funds in allotments, each allotment shall be disbursed to the Eligible Applicant upon evidence of the Eligible Applicant's participation in the Institution's credential program for each quarter or semester in the Academic Year in which the Eligible Applicant applied. Any such disbursement shall be made as soon as practicable, but no later than 30 calendar days.
- (b) If an Eligible Applicant's Maximum Award for a specific Academic Year is less than \$20,000, or \$10,000 in the case of Eligible Applicants Enrolled in an institution meeting the requirements of Education Code section 69617.5, the Eligible Applicant may receive an additional award in a subsequent Academic Year so as long as the Eligible Applicant remains in compliance with all Program requirements and the total amount disbursed does not exceed \$20,000, or \$10,000 in the case of Eligible Applicants Enrolled in an institution meeting the requirements of Education Code section 69617.5.
- (c) If, after the Commission has disbursed grant funds to an Institution, the Eligible Applicant fails to participate in the Institution's credential program, the Institution shall return any grant funds not disbursed to the Eligible Applicant to the Commission within 30 calendar days after the Institution confirms the non-participation. For funds already disbursed, the recipient will be subject to the repayment obligations as defined in the California Education Code § 69617 and Service Agreement.
- (d) The Institution is responsible for repayment of over awarded funds. The Commission may take action to cease processing future GSTG transactions to any Institution that over awards funds or fails to repay any such over awards.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.

Section 30527. Failure to Comply with Applicable Laws and Regulations.

- (a)(1) A grant recipient who fails to meet the service requirement and schedule for this Program, as specified in Education Code section 69617(c), shall repay to the Commission 25 percent of the total grant amount received for each year of nonperformance. A grant recipient who fails to obtain a preliminary teaching credential or pupil personnel services credential within three-six years of receiving their initial grant award shall repay to the Commission a minimum of 25 percent of the total grant amount received per year until the grant is repaid.
- (2) A grant recipient who works at a Priority School <u>or California Preschool Program</u> shall not be required to repay grant funds if during his or her four years of service the school loses its qualification as a Priority School.
- (3) A grant recipient shall work at a Priority School <u>or California Preschool Program</u> in a position that utilizes the credential earned as a result of completing the program they were enrolled in when awarded the Golden State Teacher Grant.
- (b) A school year shall be counted toward the required four-year teaching requirement if a grant recipient is unable to complete the school year when any of the following occur:
- (1) The grant recipient has completed at least one-half of the school year.
- (2) The employer deems the grant recipient to have fulfilled contractual requirements for the school year relative to salary increases, probationary or permanent status, and retirement.
- (3) The grant recipient was unable to work due to financial circumstances of the school district or California Preschool Program, including non-renewal of the employee contract for the succeeding school year.

- (4) The grant recipient has a condition covered under the federal Family and Medical Leave Act of 1996 (29 U.S.C. Sec. 2601 et seq.) or similar state law, or otherwise can demonstrate a physical or mental disability recognized by the Social Security Administration preventing them from completing their professional preparation program or service requirement.
- (5) The grant recipient was called or ordered to active-duty status for more than 30 days as a member of a reserve component of the Armed Forces of the United States.
- (c) The grant recipient shall provide written email notice to the Commission at goldenstateteachers@csac.ca.gov within 30 calendar days of failing to meet Program requirements. If the grant recipient believes any of the exceptions described in subsection (b) apply, the notice shall include information and documentation to support their claim.
- (d) The Commission shall have 30 calendar days to review the grant recipient's written notice and determine the grant recipient's repayment obligations, if any. If the Commission determines that repayment is required, the repayment obligation will be based on a monthly payment schedule not exceeding \$5,000 per year. The first payment shall be due on the first day of the month following the grant recipient's receipt of the Commission's determination and repayment schedule.
- (e) A grant recipient's failure to comply with repayment obligations may result in the Commission seeking repayment through tax refund or wage garnishment.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.

Section 30528. Pre-Enrollment Conditional Award Notice.

Consistent with subdivision (e) of Education Code Section 69617, a student interested in receiving a Pre-Enrollment Conditional Award Notice shall enter required information-into the Commission's website calculator (csac.ca.gov/gstg), including the name of the Institution the student intends to apply to, estimated family contribution, other expected financial aid, and the amount (if any) of Golden State Teacher Grant funds received in the past submit an email to goldenstateteachers@csac.ca.gov with the subject line "Pre-Enrollment Conditional Award Notice." The Commission shall provide the Pre-Enrollment Conditional Award Notice within 10 business days.

NOTE: Authority cited: Section 69617, Education Code. Reference: Section 69617, Education Code.