

**CALIFORNIA STUDENT AID COMMISSION
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**AMENDMENT TO TITLE 5, DIVISION 4, CHAPTER 1, ARTICLE 15
CA CODE OF REGULATIONS
CALIFORNIA NATIONAL GUARD EDUCATION ASSISTANCE AWARD PROGRAM**

INITIAL STATEMENT OF REASONS

INTRODUCTION

Assembly Bill 12 of the Fourth Extraordinary Session, the local government trailer bill to the 2009 Budget Act Amendments, was signed by the Governor and chaptered into law on July 28, 2009. It established the California National Guard Education Assistance Award Program (CNG EAAP) to be jointly administered by the Office of the Adjutant General and the Student Aid Commission (Commission).

Based on the authority provided in Education Code Section, 69999.22, Commission staff, in consultation with the Military Department adopted California Code of Regulations Title V, Division 4, Chapter 1 Sections 30730 et seq. to implement, interpret, and construct the requirements established in Education Code sections 69999.10-69999.30, which became effective on January 10, 2011.

The Legislature's stated intent for the CNG EAAP is to provide an inducement to members of the California National Guard to maintain the required strength in the California National Guard. This is a state-funded program designed to provide an educational incentive to improve skills, competencies, and abilities for service members to remain active in the National Guard, the State Military Reserve, or the Naval Militia. The Office of the Adjutant General may select up to 1,000 participants for the program. This program authorizes the Commission to make payments to eligible program participants who attend Cal Grant participating institutions.

Participants can receive up to the amount of the Cal Grant A award for attending the University of California or the California State University, up to the Cal Grant B award for attending a community college, up to the Cal Grant A amount for a recipient attending a non-public institution, or up to the Cal Grant A award plus \$500 for books and supplies for graduate studies.

The proposed amendment to the existing regulations shall implement, interpret, and specify the requirements established in Education Code Sections 69999.10-69999.30.

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 Sections 30730.1 – 30730.20 provides a new numbering structure to allow for ease of reference.

Proposed Section 30730.4 clarifies the acronym "CNG EAAP" as the California National Guard Education Assistance Award Program, which is used throughout the article.

Proposed Section 30730.9(h) and (l) specifies that program participants who have successfully completed the certificate, degree, or diploma sought when entering the program and who have remaining program eligibility, may continue to be considered eligible for the program.

Proposed Section 30730.10(a)(1)(2)(3) makes specific the parameters for undergraduate enrollment status.

Proposed Section 30730.10(c) makes specific the enrollment status for graduate enrollment status.

Proposed Section 30730.12 defines “Leave of Absence (LOA).” This definition is necessary to provide the program participant the scope of time and to identify the overseeing and authority entity of an absence from the program.

Proposed Section 30730.17 integrates Education Code Section 69432.7(l) to clarify the definition of a qualifying educational institution and removes subsections (a) through (c) due to non-relevancy.

Proposed Section 30730.18 provides a specific definition for a participant’s reinstatement to the program.

Proposed Section 30731 changes the initial application deadline to correlate with the timely administration of program processes.

Proposed Section 30734(a)(1) removes the Adjutant General’s requirement to certify a participant’s grade point average due to the fact that the educational institution provides this certification.

Proposed Section 30734(d) indicates that participants must contact the CNG EAAP Coordinator when changing their educational institution.

Proposed Section 30734(g) clarifies that current program eligibility and availability of funds are requirements for participants to receive a payment under the program.

Proposed Section 30730(h)(3)(E) specifies that a participant wishing to renew participation in the program is required to complete a renewal application.

Proposed Section 30736 removes subsections (b) and (c), which are now included in Section 30737.

Proposed Section 30737 provides a new section to specify the scope of time and to identify the overseeing and authority entity of an absence from the program.

Proposed Section 30738 incorporates a new section to further define the program appeal process if a participant is withdrawn from the program.

Proposed Changes to Initial Application updates ethnicity categories pursuant to AB 1088 regarding reporting requirements.