

NOTICE OF PROPOSED ACTION

CALIFORNIA STUDENT AID COMMISSION
P. O. Box 419026
Rancho Cordova, CA 95741

Title 5. Education
Division 4. California Student Aid Commission
Chapter 1. California Student Aid Commission
Article 12.8. Learning-Aligned Employment Program (LAEP)

Adopt Article 12.8, Sections 30600 through 30604, California Code of Regulations.

NOTICE IS HEREBY GIVEN that the California Student Aid Commission (Commission) proposes to adopt the proposed regulations described below after considering all comments, objections, or recommendations regarding the proposed action.

PUBLIC HEARING

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.

WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS

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

California Student Aid Commission
Attention: Synequeen Alasa-as, Legal Services
P. O. Box 419026
Rancho Cordova, CA 95741

Comments may also be submitted by facsimile (FAX) at (916) 464-6411 or by e-mail to Rulemaking@csac.ca.gov. The public comment period for this regulatory action will **begin on Friday, March 24, 2023**. Comments must be **submitted by Monday, May 8, 2023**, to be considered.

AUTHORITY AND REFERENCE

Education Code Section 69967(a) directs the Commission, in consultation with the President and Chancellor Offices of the University of California, California State Universities, and California Community Colleges, to do all the following:

1. *Develop and post on its internet website any necessary programmatic policies and guidelines to assist participating employers and public postsecondary educational institutions to operate the program.*

2. *Develop processes to facilitate public postsecondary educational institutional compliance with the priorities stated in Section 69959.*
3. *Develop processes to facilitate the monitoring of institutional expenditures to ensure proper allocation and use of program funds.*

Education Code Section 69952(b) further provides that:

Before participating in the program, each institution shall sign an institutional agreement acknowledging its willingness to administer the program pursuant to this article and guidance developed by the commission, in consultation with the office of the President of the University of California, the office of the Chancellor of the California State University, and the office of the Chancellor of the California Community Colleges.

The proposed regulations discussed in this document were developed by staff to satisfy these amended provisions of the Education Code and to implement the LAEP and its administration by the Commission. In addition, the Commission has determined that adopting regulations under the California Administrative Procedures Act is necessary to interpret, implement, and make specific the above Education Code provisions and to establish the LAEP.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

As described above, Education Code Section 69967(a) directs the Commission to develop programmatic policies and guidelines to establish and implement the LAEP on behalf of California public institutions of higher education and students at those institutions. The regulations are necessary for the Commission to promulgate such programmatic policies and guidelines within the California Code of Regulations, so eligible Institutions and Employers consistently implement the LAEP in accordance with the revised statutory requirements.

These proposed regulations were developed after a year-long effort that included consultation by Commission staff with representatives of the University of California, California State University, and California Community College systems. Those efforts included workgroup meetings that occurred weekly for several months, and biweekly for several more. The workgroup now continues to meet monthly to address issues and questions related to the administration of the program. In addition, once the final draft of the regulations were developed, Commission staff shared the draft with a smaller group of system representatives, obtained their feedback and finalized the proposed regulations before seeking Commission consideration and approval.

The proposed regulations were developed to satisfy these provisions of the Education Code as they apply to the newly established Learning-Aligned Employment Program pursuant to Education Code Section 69967.

Objectives and Benefits of the Proposed Regulation

As previously noted, the proposed regulations are necessary to clarify statutory provisions and implement the LAEP. The LAEP, to be jointly administered by the Commission and California's public colleges and universities, is designed to provide additional and important employment opportunities for college students, particularly those from underrepresented backgrounds and those majoring within STEM disciplines. The Program provides college and university students with opportunities to earn money to help defray educational costs and gain important career-related work experience. The Program furthers the interest of the State to develop and maintain a well-educated workforce, including within the STEM disciplines. The Program also lessens the burden upon government to provide for a well-educated workforce and helps ensure that California's eligible college and university students can pursue higher education.

Evaluation of Inconsistency or Incompatibility with Existing State Regulations

After conducting a review of for any related regulations in this area, the Commission has determined that no other regulations exists concerning the Learning-Aligned Employment Program. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

DISCLOSURES REGARDING THE PROPOSED ACTION

The Commission has made the following initial determinations:

Mandate on Local Agencies and School Districts: None

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 costs or savings on local agencies. This proposal does not result in any cost or savings in federal funding to the state. With respect to potential cost or savings to State agencies, the California Student Aid Commission may incur minor absorbable costs relative to preparing the proposed regulations.

Housing Cost: None

Cost Impact on Representative Private Person or Business:

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

Other Business Impacts:

The Commission has determined 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 as defined by California Government Code Section 11342.610.

Cost or Savings in Federal Funding to the State: None

Results of the Economic Impact Analysis:

The proposed regulations would clarify and implement program provisions and application requirements for the Learning-Aligned Employment Program. Participating in this educational grant funding program is a voluntary option available to eligible students and employers. As such, the proposed regulations place no new or substantial requirements on businesses, individuals, or government agencies within California.

The regulatory amendments are not expected to create or eliminate any jobs within the state. The regulation is not expected to create new businesses or eliminate existing businesses within the state or cause an expansion to businesses currently doing business within the state. Therefore, the proposed regulations have no potential for adverse economic or fiscal impact. Furthermore, there is no significant statewide adverse economic impact directly affecting businesses, including California businesses' ability to compete with businesses in other states or on representative private persons.

The benefits of this regulation, as discussed above, would be to improve the efficient implementation and administration of this program by the Commission on behalf of student applicants. This should enable more students to take advantage of this source of educational grant funding in support of their educational goals. The regulation is not expected to directly impact California residents' health and welfare, worker safety, or the state's environment.

FEDERAL MANDATE

There are no comparable provisions of federal law related to this proposal. The regulation would only apply in California and specifically to implement the Learning-Aligned Employment Program. The regulations would neither affect nor conflict with any federal regulations or federal education programs.

CONSIDERATION OF ALTERNATIVES

The Commission must determine that no reasonable alternative it considered, or that has otherwise been identified and brought to its attention, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. The Commission invites interested parties to submit statements or arguments with respect to alternatives to the proposed regulatory action during the written comment period or at the public hearing.

CONTACT PERSONS

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

Synequeen Alasa-as
California Student Aid Commission
11120 International Drive, STE. 100
Rancho Cordova, CA 95670
Telephone: (916) 464-6411
Fax: (916) 464-6411
Email: salasa-as@csac.ca.gov

The back-up contact person for these inquiries is:

Gary Collord
California Student Aid Commission
11120 International Drive, STE. 100
Rancho Cordova, CA 95670
Telephone: (916) 347-0632
Fax: (916) 464-8033
Email: gcollord@csac.ca.gov

AVAILABILITY OF THE STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND RULEMAKING FILE

The Commission will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office listed at the address above. As of the date this notice is published, the rulemaking file consists of this notice, the proposed text of regulations, the initial statement of reasons, an economic and fiscal analysis, and other reference information upon which the proposed rulemaking is based. Copies may be obtained by making a written request to Synequeen Alasa-as.

These documents may also be viewed and downloaded from the Commission's Web site at <https://www.csac.ca.gov/proposed-regulations-rulemaking-documents>.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments received, the Commission may adopt the proposed regulations substantially as described in this notice. If the Commission makes modifications which are sufficiently related to the originally proposed text, it will make the modified text, with changes clearly indicated, available to the public for at least 15 days before the Board adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Synequeen Alasa-as at the above address. The Commission will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the final statement of reasons may be obtained by making a written request to Synequeen Alasa-as at the above address.

WEBSITE ACCESS

Materials regarding this proposal can be found at <https://www.csac.ca.gov/proposed-regulations-rulemaking-documents>.