
SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2019 - 2020 Regular

Bill No: SB 52 **Hearing Date:** March 27, 2019
Author: Atkins
Version: December 10, 2018
Urgency: No **Fiscal:** Yes
Consultant: Olgalilia Ramirez

Subject: The Cal Grant Program: Cal Grant C awards.

SUMMARY

This bill statutorily establishes an application deadline of September 2 for students to apply for the Cal Grant C award effective with the fall term or semester of the 2020–21 academic year.

BACKGROUND

Existing law authorizes the Cal Grant C program, administered by California Student Aid Commission (CSAC) to assist with tuition and training costs at occupational or vocational programs of four months to two years in length. Existing law establishes the total number of Cal Grant C awards as the number awarded in the 2000-01 fiscal year (7,761) with the maximum award amount and the total amount of funding being determined in the annual Budget Act (\$2,462 for tuition and \$547 for non-tuition access costs). (Education Code (EC) § 69439)

ANALYSIS

This bill statutorily requires, commencing with the 2020-21 academic year, the CSAC to establish an application deadline of September 2 of an academic year for students to apply for a Cal Grant C award for that academic year.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “Cal Grant C are not being fully utilized, funds are consistency being left on the table year after year, despite substantial demand for career education programs. The current application deadline is not aligned with when students actually decide to enroll in programs. Technical and occupational programs are shorter in duration and designed to give students the skills they need to get into the workforce quickly.” This bill seeks to better align the application deadline with when students are enrolling in programs and, as a result, increase the Cal Grant C take-up rate.
- 2) ***Historically participation rates have been low.*** Qualifying Cal Grants C applicants compete for 7,761 Cal Grant C awards. According to CSAC, in 2015-16 Cal Grant C supplements were sent to approximately 60,000 students potentially eligible for Cal Grant C awards. However, CSAC received only a 15 percent response rate with only 9,007 Cal Grant C supplemental forms returned. Additionally, in 2015-16, 8,515 awards were offered, of which 4,427 (57 percent)

were ultimately paid. As such, nearly half (43 percent) of the Cal Grants C awarded were left on the table. Since then, several changes have been implemented in an effort to increase take-up rates; however, an application deadline has yet to be established in statute.

- 3) **Cal Grant C background.** Students meeting the general eligibility for the Cal Grant award may be considered for the Cal Grant C. There is no high school graduation requirement, minimum grade point average or maximum age for recipients. However, students must be California residents, have United States or eligible noncitizen status, complete US selective service requirements, enroll at least half-time at an eligible California institution, maintain satisfactory academic progress (defined by the institution) once enrolled, meet family income and asset ceilings, and not be in default on any student loan or owe any federal or state grant refund.

In 2018-19, the maximum annual award was \$547 for books, tools and equipment costs and up to \$2,462 more for tuition and fees for attendance at a private for-profit or private nonprofit institution other than a California Community College (CCC). A student may use up to \$1,094 at any CCC. Funding is available for up to two years, depending on the length of the program. To qualify, a student must enroll in an occupational, technical, or vocational program that is at least four months long at a CCC, an independent college, or a vocational/career school.

- 4) **Who receives a Cal Grant C?** According to a recent Legislative Analyst's Office report, the CCC system is the primary destination of Cal Grant C recipients, typically serving between 60 percent and 70 percent of all grantees. Students attending private colleges and other public schools represent the remaining grantees. On average awardees are older at 29 years of age than those in the traditional Cal Grant programs.
- 5) **Cal Grant C application deadline.** Unlike the Cal Grant A and B entitlement awards, the Cal Grant C application deadline is not specified under current law. Existing law establishes March 2 as the deadline for submission of Cal Grant A and B entitlement awards and additionally prescribes September 2 a secondary cutoff date solely for the competitive award program. The California Student Aid Commission has established March 2 as the application deadline for the Cal Grant C program.
- 6) **Prior legislation.** SB 15 (Leyva, 2017) an urgency measure would have modified the Cal Grant C program by statutorily establishing the maximum award at \$2,462 and made other changes to streamline the application process, including establishing September 2 application deadline. SB 15 was held in Assembly Appropriations.

SUPPORT

OPPOSITION

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