Introduced by Assembly Member Gabriel

February 18, 2020

An act to amend Sections 69432.7, 69519, 69731, 69956, 70032, 78220, and 88931 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL’S DIGEST


(1) Existing law establishes the University of California, the California State University, the California Community Colleges, independent institutions of higher education, as defined, and private postsecondary educational institutions, as defined, as the segments of postsecondary education in this state. Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. These student financial aid programs include the Cal Grant Program, the Chafee Educational and Training Vouchers Program, the Willie L. Brown, Jr. Community Service Scholarship Program, the California State Work-Study Program, the Middle Class Scholarship Program, and the California DREAM Loan Program, all of which require, for a student to qualify for aid, that the student make satisfactory academic progress as determined by the institution attended by the student.

This bill would require that determinations of “satisfactory academic progress” by the institutions participating in these student aid programs
consider “homelessness,” homelessness, as specified, within the meaning of the federal McKinney-Vento Homeless Assistance Act as an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at the institutions, and that extenuating circumstance may be considered by the institutions to alter or excuse compliance with those progress requirements.

(2) The California Community Colleges comprise 115 campuses throughout the state. The campuses of the California Community Colleges administer, among other programs, the Seymour-Campbell Student Success Act of 2012 and the Community Colleges Student Success Completion Grant program, both of which require, for a student to qualify for participation, that the student make satisfactory academic progress, as specified.

This bill, with respect to the Seymour-Campbell Student Success Act of 2012, would require that the determination of satisfactory academic progress by the community college consider “homelessness,” homelessness, as specified, within the meaning of the federal McKinney-Vento Homeless Assistance Act as an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that community college, an extenuating circumstance that may be considered by the institution to alter or excuse compliance with those progress requirements. The bill, with respect to the Community Colleges Student Success Completion Grant Program, would require, to the extent consistent with applicable federal standards, that the criteria applied by the community college for determining satisfactory academic progress provide that “homelessness,” homelessness, as specified, within the meaning of the federal McKinney-Vento Homeless Assistance Act is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that community college. The bill would authorize the community college, if allowed by federal standards, to consider that extenuating circumstance to alter or excuse compliance with those progress requirements.

To the extent that the bill would impose new duties on community college districts, it would constitute a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.
This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.


The people of the State of California do enact as follows:

SECTION 1. Section 69432.7 of the Education Code is amended to read:

69432.7. As used in this chapter, the following terms have the following meanings:

(a) An “academic year” is July 1 to June 30, inclusive. The starting date of a session shall determine the academic year in which it is included.

(b) “Access costs” means living expenses and expenses for transportation, supplies, technology, and books.

(c) “Award year” means one academic year, or the equivalent, of attendance at a qualifying institution.

(d) “College grade point average” and “community college grade point average” mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree.

(e) “Commission” means the Student Aid Commission.

(f) “Enrollment status” means part- or full-time status.

(1) “Part time,” for purposes of Cal Grant eligibility, means 6 to 11 semester units, inclusive, or the equivalent.

(2) “Full time,” for purposes of Cal Grant eligibility, means 12 or more semester units or the equivalent.

(g) “Expected family contribution,” with respect to an applicant, shall be determined using the federal methodology pursuant to subdivision (a) of Section 69506 (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.)) and applicable rules and regulations adopted by the commission.

(h) “High school grade point average” means a grade point average calculated on a 4.0 scale, using all academic coursework,
for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, Reserve Officers’ Training Corps (ROTC), and remedial courses, and computed pursuant to regulations of the commission. However, for high school graduates who apply after their senior year, “high school grade point average” includes senior year coursework.

(i) “Instructional program of not less than one academic year” means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at least 24 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) “Instructional program of not less than two academic years” means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) (1) “Maximum household income and asset levels” means the applicable household income and household asset levels for participants, including new applicants and renewing recipients, in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001–02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

<table>
<thead>
<tr>
<th>Family Size</th>
<th>Cal Grant A</th>
<th>Cal Grant B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent and Independent students with dependents*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Six or more</td>
<td>$74,100</td>
<td>$40,700</td>
</tr>
<tr>
<td>Five</td>
<td>$68,700</td>
<td>$37,700</td>
</tr>
<tr>
<td>Four</td>
<td>$64,100</td>
<td>$33,700</td>
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<tr>
<td>Three</td>
<td>$59,000</td>
<td>$30,300</td>
</tr>
<tr>
<td>Two</td>
<td>$57,600</td>
<td>$26,900</td>
</tr>
<tr>
<td>Independent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single, no dependents</td>
<td>$23,500</td>
<td>$23,500</td>
</tr>
</tbody>
</table>
CAL GRANT PROGRAM ASSET CEILINGS

<table>
<thead>
<tr>
<th></th>
<th>Cal Grant A, C, and T</th>
<th>Cal Grant B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent**</td>
<td>$49,600</td>
<td>$49,600</td>
</tr>
<tr>
<td>Independent</td>
<td>$23,600</td>
<td>$23,600</td>
</tr>
</tbody>
</table>

**Applies to independent students with dependents other than a spouse.

(2) The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution. The maximum household income and asset levels applicable to a renewing recipient shall be the greater of the adjusted maximum household income and asset levels or the maximum household income and asset levels at the time of the renewing recipient’s initial Cal Grant award. For a recipient who was initially awarded a Cal Grant for an academic year before the 2011–12 academic year, the maximum household income and asset levels shall be the greater of the adjusted maximum household income and asset levels or the 2010–11 academic year maximum household income and asset levels. An applicant or renewal recipient who qualifies to be considered under the simplified needs test established by federal law for student assistance shall be presumed to meet the asset level test under this section. Before disbursing any Cal Grant funds, a qualifying institution shall be obligated, under the terms of its institutional participation agreement with the commission, to resolve any conflicts that may exist in the data the institution possesses relating to that individual.

(1) “Qualifying institution” means an institution that complies with paragraphs (2) and (3) and is any of the following:
(A) A California private or independent postsecondary educational institution that participates in the Pell Grant Program and in at least two of the following federal student aid programs:

(i) Federal Work-Study Program.
(ii) Federal Stafford Loan Program.
(iii) Federal Supplemental Educational Opportunity Grant Program.

(B) A nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution’s operating budget, as demonstrated in an audited financial statement, is expended for purposes of institutionally funded student financial aid in the form of grants, that demonstrates to the commission that it has the administrative capacity to administer the funds, that is accredited by the Western Association of Schools and Colleges, and that meets any other state-required criteria adopted by regulation by the commission in consultation with the Department of Finance. A regionally accredited institution that was deemed qualified by the commission to participate in the Cal Grant Program for the 2000–01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(C) A California public postsecondary educational institution.

(2) (A) The institution shall provide information on where to access California license examination passage rates for the most recent available year from graduates of its undergraduate programs leading to employment for which passage of a California licensing examination is required, if that data is electronically available through the internet website of a California licensing or regulatory agency. For purposes of this paragraph, “provide” may exclusively include placement of an internet website address labeled as an access point for the data on the passage rates of recent program graduates on the internet website where enrollment information is also located, on an internet website that provides centralized admissions information for postsecondary educational systems with multiple campuses, or on applications for enrollment or other program information distributed to prospective students.

(B) The institution shall be responsible for certifying to the commission compliance with the requirements of subparagraph (A).

(3) (A) The commission shall certify by November 1 of each year the institution’s latest official three-year cohort default rate
and graduation rate as most recently reported by the United States Department of Education. For purposes of this section, the graduation rate is the percentage of full-time, first-time degree or certificate-seeking undergraduate students who graduate in 150 percent or less of the expected time to complete degree requirements as most recently reported publicly in any format, including preliminary data records, by the United States Department of Education.

(B) For purposes of the 2011–12 academic year, an otherwise qualifying institution with a three-year cohort default rate reported by the United States Department of Education that is equal to or greater than 24.6 percent shall be ineligible for initial and renewal Cal Grant awards at the institution.

(C) For purposes of the 2012–13 academic year, and every academic year thereafter, an otherwise qualifying institution with a three-year cohort default rate that is equal to or greater than 15.5 percent, as certified by the commission on October 1, 2011, and every year thereafter, shall be ineligible for initial and renewal Cal Grant awards at the institution.

(D) (i) An otherwise qualifying institution that becomes ineligible under this paragraph for initial and renewal Cal Grant awards shall regain its eligibility for the academic year for which it satisfies the requirements established in subparagraph (B), (C), or (F), as applicable.

(ii) If the United States Department of Education corrects or revises an institution’s three-year cohort default rate or graduation rate that originally failed to satisfy the requirements established in subparagraph (B), (C), or (F), as applicable, and the correction or revision results in the institution’s three-year cohort default rate or graduation rate satisfying those requirements, that institution shall immediately regain its eligibility for the academic year to which the corrected or revised three-year cohort default rate or graduation rate would have been applied.

(E) An otherwise qualifying institution for which no three-year cohort default rate or graduation rate has been reported by the United States Department of Education shall be provisionally eligible to participate in the Cal Grant Program until a three-year cohort default rate or graduation rate has been reported for the institution by the United States Department of Education.
(F) For purposes of the 2012–13 academic year, and every academic year thereafter, an otherwise qualifying institution with a graduation rate of 30 percent or less, as certified by the commission pursuant to subparagraph (A), shall be ineligible for initial and renewal Cal Grant awards at the institution, except as provided for in subparagraph (H).

(G) Notwithstanding any other law, the requirements of this paragraph shall not apply to institutions with 40 percent or less of undergraduate students borrowing federal student loans, using information reported to the United States Department of Education for the academic year two years before the academic year in which the commission is certifying the three-year cohort default rate or graduation rate pursuant to subparagraph (A).

(H) Notwithstanding subparagraph (F), an otherwise qualifying institution that maintains a three-year cohort default rate that is less than 15.5 percent and a graduation rate above 20 percent for students taking 150 percent or less of the expected time to complete degree requirements, as certified by the commission pursuant to subparagraph (A), shall be eligible for initial and renewal Cal Grant awards at the institution through the 2016–17 academic year.

(I) The commission shall do all of the following:

(i) Notify initial Cal Grant recipients seeking to attend, or attending, an institution that is ineligible for initial and renewal Cal Grant awards under subparagraph (C) or (F) that the institution is ineligible for initial Cal Grant awards for the academic year for which the student received an initial Cal Grant award.

(ii) Notify renewal Cal Grant recipients attending an institution that is ineligible for initial and renewal Cal Grant awards at the institution under subparagraph (C) or (F) that the student’s Cal Grant award will be reduced by 20 percent, or eliminated, as appropriate, if the student attends the ineligible institution in an academic year in which the institution is ineligible.

(iii) Provide initial and renewal Cal Grant recipients seeking to attend, or attending, an institution that is ineligible for initial and renewal Cal Grant awards at the institution under subparagraph (C) or (F) with a complete list of all California postsecondary educational institutions at which the student would be eligible to receive an unreduced Cal Grant award.

(iv) (I) Establish an appeal process for an otherwise qualifying institution that fails to satisfy the three-year cohort default rate and
graduation rate requirements in subparagraphs (C) and (F), respectively.

(II) The commission may grant an appeal for an academic year only if the commission has determined the institution has a cohort size of 20 individuals or less and the cohort is not representative of the overall institutional performance.

(m) “Satisfactory academic progress” means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining “satisfactory academic progress” in a manner that is consistent with those federal standards. The regulations adopted by the commission under this subdivision shall, to the extent consistent with applicable federal standards, provide that “homelessness, as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq. 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at the institution they attend, and that extenuating circumstance may be considered by the institution to alter or excuse compliance with those progress requirements.

SEC. 2. Section 69519 of the Education Code is amended to read:

69519. (a) The commission, through an interagency agreement with the State Department of Social Services, currently operates a federally funded scholarship program, known as the Chafee Educational and Training Vouchers Program, that provides grant aid to provide access to California’s current and former foster youth to postsecondary education. Funds provided through an appropriation by the Legislature shall be supplemental to funds provided by the federal government, and are designated to ensure program availability in the absence of and before the annual receipt of federal funds for this purpose. The department shall opt in, as necessary, to expand program age eligibility of former foster youth up to 26 years of age pursuant to federal program guidelines. The department shall pursue and seek possible Chafee Educational and Training Vouchers Program federal matching dollars.
(b) Funds provided for this program shall be used to assist students who are current and former foster youth, for career and technical training or traditional college courses. The commission shall operate this program in accordance with the program instructions provided by the federal Department of Health and Human Services, Administration for Children and Families, and the program guidelines developed by the State Department of Social Services.

(c) The total amount of funding and the amount of individual awards shall depend upon the amount of federal funding provided in addition to state funding. The commission, in conjunction with the State Department of Social Services, shall determine the individual award amounts and total number of students awarded on an annual basis as the amount of total annual funding is determined.

(d) Commencing with the 2021–22 award year, the commission may make initial award offers totaling up to 200 percent of the total state and federal program funding available for all awards. Each year, the commission, in conjunction with the State Department of Social Services, shall determine the number of initial awards offered, based on the historical acceptance rate of initial awards and the size of awards, so not to exceed the total amount of available funding for the full award cycle. The commission shall make an award offer contingent upon available funding, and may adjust or withdraw an award offer before payment to ensure that total award payments do not exceed the total amount of available funding for the award cycle. The commission shall inform each recipient of an award offer that the offer may be withdrawn or adjusted before payment and that an award is payable to an eligible student only to the extent that funding is available.

(e) Commencing with the 2017–18 award year, the commission shall make a new Chafee grant award to a student only if the student attends either of the following:

1. A qualifying institution that is eligible for participation in the Cal Grant Program pursuant to Section 69432.7.
2. An institution that is not located in California that satisfies the provisions of subparagraphs (C) and (F) of paragraph (3) of subdivision (l) of Section 69432.7.
Commencing with the 2018–19 award year, the commission shall make a Chafee grant award to a student only if the student meets both of the following conditions:

(A) The student will not be 26 years of age or older by July 1 of the award year.

(B) The student attends either of the following institutions:

(i) A qualifying institution that is eligible for participation in the Cal Grant Program pursuant to Section 69432.7.

(ii) An institution that is not located in California that satisfies the provisions of subparagraphs (C) and (F) of paragraph (3) of subdivision (l) of Section 69432.7.

Implementation of this subdivision is contingent upon an appropriation of sufficient funds in the annual Budget Act for this purpose.

The California Community Colleges and the California State University shall, and the University of California is requested to, provide all Chafee grant recipients, upon release of the first payment, with information regarding available support services on campus and the process for completing an educational plan. In this notification, Chafee grant recipients shall be strongly encouraged to avail themselves of these services if they have not already done so.

(h) (1) (A) If a student fails to demonstrate satisfactory academic progress, as defined by the institution where the student is enrolled, for two consecutive semesters or three consecutive quarters, or an equivalent enrollment period, the student shall meet with an appropriate college staff member to develop a plan for improving academic progress or update an existing plan, in order to ensure that the student is making satisfactory progress toward completion and to receive their remaining Chafee grant funds.

(B) If a student with a plan pursuant to subparagraph (A) fails to meet satisfactory academic progress standards for a third consecutive semester or fourth consecutive quarter, or an equivalent enrollment period, the student shall meet with an appropriate college staff member to update the plan, in order to ensure that the student is making satisfactory progress toward completion and to receive their remaining Chafee grant funds.

(C) Once a plan has been developed or updated pursuant to subparagraph (A) or (B), as applicable, and submitted to the financial aid office, remaining Chafee grant funds shall be released
to the student for the next applicable semester, quarter, or other period, in accordance with the existing schedule for release.

(2) A student who fails to update their plan, or who fails to meet satisfactory academic progress standards for a fourth consecutive semester or fifth consecutive quarter, or an equivalent enrollment period, shall lose Chafee grant eligibility subject to subdivision (i).

(3) For purposes of this subdivision, a college staff member who can assist a student on their plan includes an academic counselor, a Homeless and Foster Student Liaison, as described in Section 67003.5, an Extended Opportunity Programs and Services counselor, a Cooperating Agencies Foster Youth Educational Support Program counselor, a Disabled Student Programs and Services counselor, another campus-based foster youth support program staff member, or another appropriate adviser.

(4) This subdivision and subdivision (i) apply to any student who is otherwise eligible to receive a Chafee grant award pursuant to subdivision (f).

(5) The California Community Colleges, the California State University, and the University of California may use existing resources to implement this subdivision and subdivisions (g) and (i), to the extent those resources may be lawfully expended for those purposes.

(6) For purposes of this section, the definition of “satisfactory academic progress” used by the institution where the student is enrolled shall provide that “homelessness,” as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that institution, and that extenuating circumstance may be considered by the institution to alter or excuse compliance with those progress requirements.

(i) A student who fails to demonstrate satisfactory academic progress, as defined by the institution where the student is enrolled, for four consecutive semesters or five consecutive quarters, or an
equivalent enrollment period, shall lose eligibility for a Chafee grant, subject to the following:

(1) A student who loses eligibility may appeal the loss of the Chafee grant during any subsequent semester or quarter, or term, following the loss of eligibility.

(2) An institution shall provide a student written notice of the process for appealing the loss of a Chafee grant, regardless of whether the institution offers an appeal process for loss of other forms of financial aid.

(3) In reviewing the appeal of a student, an institution shall automatically reinstate a student’s Chafee grant eligibility if one of the following applies:

(A) The student achieves either a 2.0 GPA during the previous semester or quarter, or other applicable term, or a cumulative GPA of 2.0, even if the student did not meet the institution’s satisfactory academic progress policy requirements.

(B) The student demonstrates the existence of an extenuating circumstance that impeded successful course completion in the past but that has since been addressed such that the student is likely to demonstrate satisfactory academic progress in the future.

(C) The student provides evidence of engagement with a supportive program, either on or off campus, that is assisting the student to make continued academic progress.

(4) A student who loses Chafee eligibility by not demonstrating satisfactory academic progress and subsequently is not enrolled for one or more semesters or quarters, or another applicable term or terms, shall be eligible for a Chafee grant upon reenrollment at a qualifying institution.

(j) A student’s receipt of a Chafee grant award shall not exceed five years, which need not be consecutive.

(k) An institution shall not impose any additional eligibility criteria for a Chafee grant other than those described in this section and in Section 677(i) of Title 42 of the United States Code.

(l) Commencing with the 2018–19 award year, up to eighty thousand dollars ($80,000) of any appropriation made by the Legislature in the annual Budget Act or another statute to expand the Chafee Educational and Training Vouchers Program age eligibility of former foster youth up to 26 years of age may be used by the commission or the State Department of Social Services for outreach to newly eligible former foster youth who are at least 23
years of age, but are not yet 26 years of age, for the 2018–19 to
2020–21 fiscal years, inclusive. Outreach may include travel,
material development, printing or publication, and other costs, as
necessary.

(m) The commission shall annually report to the Legislature all
of the following information for the preceding award year:

1. The number of students who apply to receive a Chafee grant
   award.
2. The number of Chafee grants awarded.
3. The number of Chafee applicants denied due to either of the
   following reasons:
   A. The Chafee applicant no longer meets the age requirements
      of the program.
   B. There is insufficient proof of the Chafee applicant’s status
      as a current or former foster youth.
4. The number of Chafee awardees unpaid due to any of the
   following reasons:
   A. Failure to meet minimum enrollment requirements.
   B. Failure to demonstrate satisfactory academic progress
      according to campus policy.
   C. Any other common reason that a Chafee awardee did not
      receive a payment.
5. The number and age of students paid through the Chafee
   Educational and Training Vouchers Program.
6. The average Chafee grant award amount.
7. Qualifying institutions where Chafee grant awards are used.
8. Degree levels for which Chafee grant awards are used.
9. The amount spent on outreach and education efforts and the
types of activities that the authorization in subdivision (l) funded.
This information shall include the distribution of outreach funding
between the commission and the State Department of Social
Services, and any other entity that was involved.

SEC. 3. Section 69731 of the Education Code is amended to
read:
69731. (a) At least one scholarship under this article shall be
made available each year to each high school participating in the
program to award to a pupil who is enrolled in that high school.
One additional scholarship shall be available each year to each
participating high school for each 1,000 pupils enrolled in that
school in excess of 1,000 pupils.
(b) Each participating high school shall establish and maintain a community service scholarship committee that consists of the following persons:

(1) One full-time teacher employed by the school.

(2) One employee of the school who is a classified employee or pupil counselor, and who has contributed to the academic or personal development of high school pupils. In the event that no person meets those qualifications, the principal of the school shall designate any other employee of the school to serve on the committee.

(3) One parent of any pupil who is enrolled in the high school but is not an applicant for a scholarship under this article.

(4) Two representatives from community organizations or agencies, as described in subdivision (c).

(c) Scholarships made available to the participating high school shall be awarded by the community service scholarship committee to pupil applicants determined by a majority vote of the membership of the committee to have made significant contributions to the community through community service. For the purposes of this article, “community service” means volunteer work for any nonprofit organization that meets the description set forth in paragraph (3) of subsection (c) of Section 501 of Title 26 of the United States Code, or for any other community service agency or organization that is nonprofit, nonpartisan, and nonsectarian, which work is performed to further purposes of education, environmental quality, health care, local, state, or federally funded public assistance, public safety crime prevention or control, transportation, recreation, housing and neighborhood improvement, rural development, conservation, child care, senior citizens’ quality of life, outdoor beautification, or any other purpose of human betterment and community improvement. In the event that the community service scholarship committee determines that the number of applicants who qualify for a scholarship under this subdivision exceeds the number of scholarships available to the high school under this article, the committee shall apply the following additional criteria in order to select scholarship recipients:

(1) The applicant’s financial status, including the applicant’s ability to finance a college education.
(2) The extent to which the applicant’s capacity to provide volunteer service has been limited by the applicant’s other extracurricular activities, summer or part-time employment, or responsibilities to the applicant’s family.

(3) Whether the applicant would be the first member of the applicant’s immediate family to attend an institution of higher education.

(d) Each scholarship awarded shall be for a period of one year, subject to the requirement that no scholarship funding shall be payable as to any academic term in which the recipient fails to both maintain a course load of at least six semester units or the equivalent and meet or exceed the institution’s standards for satisfactory academic progress. For purposes of this determination, “homelessness,” as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq. § 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that institution that may be considered by the institution to alter or excuse compliance with those progress requirements.

(e) No later than June 15 of each year, the community service scholarship committee of each participating high school shall notify the Student Aid Commission of the names of the scholarship recipients selected by the committee, or, alternatively, that no pupil applicants were determined by the committee to qualify for a scholarship pursuant to subdivision (c). No later than August 15 of that year, the commission shall provide funding for the subsequent academic year for each scholarship awarded pursuant to this section, in an amount equal to the amount of the undergraduate student fees charged for that school year by the University of California, except that no such allotment shall be in an amount of less than one thousand five hundred dollars ($1,500).

(f) Scholarship funding provided under this article may be applied to educational costs incurred by the recipient pursuant to the applicant’s attendance at an institution of higher education.
Those costs may include, but are not necessarily limited to, tuition, fees, instructional materials, and room and board.

(g) Scholarships shall be funded under this article to the extent funds are made available for that purpose.

(h) This article shall not be construed to prevent any participating high school or pupil from seeking private or other funding sources to supplement the amount of any scholarship or scholarships awarded under this article. Any scholarship or scholarships awarded under this article shall augment, and not supplant, student financial aid from other sources.

SEC. 4. Section 69956 of the Education Code is amended to read:

69956. Any student satisfying all of the following criteria shall be eligible to participate in the California State Work-Study Program:

(a) Enrollment, or acceptance for enrollment, on at least a half-time basis at a participating postsecondary educational institution.

(b) Resident classification pursuant to Part 41 (commencing with Section 68000).

(c) Demonstrated maintenance of satisfactory academic progress in a program leading to a degree or a certificate, as determined by the postsecondary educational institution in which the student is enrolled, applying standards of eligibility for federal financial aid. For purposes of this determination, “homelessness,” as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.) 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are unable to meet the requirements deemed to constitute “satisfactory academic progress” at that institution that may be considered by the institution to alter or excuse compliance with the progress requirements.

(d) Demonstrated financial need, as determined by the financial aid office of the institution in which the student is enrolled pursuant to the methodologies approved by the United States Department of Education for use in awarding funds provided under Title IV of the Higher Education Act of 1965 as amended. If individual
circumstances affect the ability of the student or the student’s family to contribute to the student’s total financial resources, the financial aid administrator may make reasonable individualized adjustments to the computed total applicant resources.

SEC. 5. Section 70032 of the Education Code is amended to read:

70032. As used in this article, the following terms have the following meanings:

(a) An “academic year” is July 1 to June 30, inclusive. The start date of a session shall determine the academic year in which it is included.

(b) “Award year” means one academic year, or the equivalent, of attendance at a qualifying institution.

(c) “Commission” means the Student Aid Commission.

(d) “Cost of attendance” means the student’s tuition and fees, books and supplies, living expenses, transportation expenses, and any other student expenses used to calculate a student’s financial need for purposes of federal Title IV student aid programs.

(e) “Enrollment status” means part-time status or full-time status of a student at a qualifying institution.

(f) “Expected family contribution” means a student’s expected family contribution calculated, pursuant to subdivision (a) of Section 69506, according to the federal methodology (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.)).

(g) “Financial need” means a student’s financial need calculated pursuant to the federal financial need methodology (as established by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.)).

(h) “Graduate program” means a program of study leading to a graduate or professional degree, including, but not limited to, a teaching credential, the prerequisite for which is a baccalaureate degree or undergraduate degree.

(i) “Instructional program” means a program of study that results in the award of a baccalaureate degree or undergraduate certificate, or undergraduate coursework in a program of study leading directly to a first professional degree for which no baccalaureate degree or undergraduate degree is awarded.

(j) “Participating institution” means any campus of the California State University or the University of California that elects to
participate in the DREAM Program pursuant to the requirements specified for a qualifying institution as set forth in this article.

(k) “Satisfactory academic progress” means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. A participating institution may adopt regulations defining “satisfactory academic progress” in a manner that duplicates those federal standards, provided that, to the extent consistent with applicable federal standards, the regulations adopted by the participating institution provide that “homelessness,” homelessness, as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that institution. The institution may consider this extenuating circumstance, in its discretion, to the extent consistent with federal standards, to alter or excuse compliance with those progress requirements.

SEC. 6. Section 78220 of the Education Code is amended to read:

78220. (a) As a condition for receiving Student Success and Support Program funding, and in order to ensure equal educational opportunities and to promote student success for all students, regardless of race, gender, age, disability, or economic circumstances, the governing board of each community college district shall maintain a student equity plan that includes all of the following for each community college in the community college district:

(1) Campus-based research, as to the extent of student equity by gender and for each of the following categories of students, that uses the methodology established pursuant to subdivision (d) of Section 78221:

(A) Current or former foster youth.
(B) Students with disabilities.
(C) Low-income students.
(D) Veterans.
(E) Students in the following ethnic and racial categories, as they are defined by the United States Census Bureau for the 2010 Census for reporting purposes:

(i) American Indian or Alaska Native.
(ii) Asian.
(iii) Black or African American.
(iv) Hispanic or Latino.
(v) Native Hawaiian or other Pacific Islander.
(vi) White.
(vii) Some other race.
(viii) More than one race.

(F) Homeless students.

(G) Lesbian, gay, bisexual, or transgender students.

(H) Additional categories of students determined by the governing board of the community college district.

(2) To the extent that student data described in paragraph (1) has been collected, the Office of the Chancellor of the California Community Colleges shall make the data available to community college districts for determining student equity and disproportionate impact.

(3) Goals for access and retention, degree and certificate completion, English as a Second Language and basic skills completion, and transfer for the overall student population and for each population group of high-need or disadvantaged students, and a determination of what activities are most likely to effectively meet those goals.

(4) Whether significant underrepresentation is found to exist pursuant to paragraphs (1) and (3), based on the methodology established pursuant to subdivision (d) of Section 78221, measures for addressing the disparities in those areas, implementation activities designed to attain the goals specified in paragraph (3), including, but not necessarily limited to, the adoption of evidence-based models of remediation, implementation of assessment and placement policies that more accurately predict student success and identify students' remedial needs, and a means of coordinating with, at a minimum, the following student equity-related categorical programs or campus-based programs:

(A) Students with disabilities.

(B) Extended Opportunity Programs and Services and Special Services.
(C) Fund for Student Success.
(D) Student Success and Support Program.
(E) Programs for foster youth.
(F) Programs for veterans.
(G) Special Services for CalWORKs Recipients.
(H) Student Financial Aid Administration.
(I) Student Success for Basic Skills Students.
(J) Sources of funds for the activities in the plan.
(K) A schedule and process for evaluation.

(7) An executive summary that includes, at a minimum, the
student groups for whom goals have been set, the goals, the
initiatives that the community college or community college district
will undertake to achieve these goals, the resources that have been
budgeted for that purpose, and the community college district
official to contact for further information. Commencing with the
2016–17 academic year, the executive summary shall also include
a detailed accounting of how funding was expended and an
assessment of the progress made in achieving the identified goals.

(b) Student equity plans shall be developed with the active
involvement of all groups on campus as required by law, including,
but not limited to, the academic senate, academic faculty and staff,
student services, and students, and with the involvement of
appropriate people from the community.

(c) The plan shall be adopted by the governing board of the
community college district and submitted to the Chancellor of the
California Community Colleges on or before January 1, 2015, who
shall publish all executive summaries, sending copies to the
appropriate policy and budget committees of the Legislature, the
Department of Finance, every community college and community
college district, each consultation group identified in subdivision
(b) that so requests, and additional individuals and organizations
as deemed appropriate.

(d) The plan shall be updated every three academic years and
plan updates shall be submitted to the Chancellor of the California
Community Colleges for publication and distribution as provided
for in subdivision (c).

(e) (1) Funding included in the Budget Act for the Student
Equity and Achievement Program may be used for provision of
emergency student financial assistance to help an eligible student
overcome unforeseen financial challenges that would directly
impact the student’s ability to persist in the student’s course of study. These challenges include, but are not necessarily limited to, the immediate need for shelter or food. Each community college district and campus is encouraged to consider the unique characteristics of its student body in developing specific guidelines for further defining what constitutes an unforeseen financial challenge for its students.

(2) In order for emergency student financial assistance to be an allowable use of Student Equity and Achievement Program funds, emergency student financial assistance shall be included in the institution’s plan for interventions to students.

(3) For purposes of this subdivision, the following terms are defined as follows:

(A) “Eligible student” means a student who has experienced an unforeseen financial challenge, who is making satisfactory academic progress, as defined by the college the student attends, and who is at risk of not persisting in the student’s course of study due to the unforeseen financial challenge. For purposes of this paragraph, the definition of satisfactory academic progress used by the community college shall provide that “homelessness, as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.) 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that community college, and that extenuating circumstance may be considered by the institution to alter or excuse compliance with those progress requirements.

(B) “Emergency student financial assistance” means financial support to assist a student to overcome unforeseen financial challenges, including, but not limited to, direct aid in the form of emergency grants, housing and food assistance, textbook grants, and transportation assistance, so that the student can continue the student’s course of study.

SEC. 7. Section 88931 of the Education Code is amended to read:
Commencing with the 2018–19 academic year, each participating community college shall provide a grant award to a student pursuant to subdivision (b). The purpose of the grant award is to provide the student with additional financial aid to help offset the student’s total cost of community college attendance.

(b) A student attending a community college may receive a grant award pursuant to this section if the student meets all of the following requirements:

(1) The student receives a Cal Grant B or C award pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5.

(2) The student is making satisfactory academic progress at the college under criteria required by the applicable federal standards published in Title 34 of the Code of Federal Regulations. The criteria applied by the community college for determining satisfactory academic progress shall, to the extent consistent with applicable federal standards, provide that “homelessness,” as defined as a “homeless individual” within the meaning of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.) 11302(a)), or as defined as a “homeless child or youth,” as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), is an extenuating circumstance for students who are otherwise unable to meet the requirements deemed to constitute “satisfactory academic progress” at that community college. The community college may consider this extenuating circumstance, in its discretion, to the extent consistent with federal standards, to alter or excuse compliance with those progress requirements.

(3) The student is a California resident or is exempt from paying nonresident tuition under Section 68130.5 or 76140.

(c) (1) The students who meet the applicant criteria pursuant to subdivision (b) shall be eligible for the following grant amounts:

(A) Six hundred forty-nine dollars ($649) per semester, or quarterly equivalent, for eligible students who enroll in 12, 13, or 14 units per semester, or the quarterly equivalent number of units.

(B) Two thousand dollars ($2,000) per semester, or quarterly equivalent, for eligible students who enroll in 15 units per semester, or the quarterly equivalent number of units.
(2) (A) If funding is available after making awards to students in the primary terms, a community college may grant additional awards to students who take a sufficient number of units during the summer term to bring their total number of academic units to 24 units or more for the academic year. The chancellor’s office shall work with colleges to determine the summer grant amounts based on available funds.

(B) It is the intent of the Legislature that the available grants would be prorated to allocate a larger amount to students who take a sufficient number of units for a total of 30 units or more for the academic year.

(d) (1) To the extent practicable, a grant award shall be awarded at the same time as a recipient’s overall financial aid package.

(2) The grant award shall be considered a supplemental grant, and shall not supplant any other grant, fee waiver, or scholarship aid received by the student, including, but not necessarily limited to, federal grants, Cal Grant awards, institutional grants, merit-based scholarships, and athletic scholarships.

(3) The grant award shall be based upon the financial need of the applicant, and shall not exceed the calculated financial need for any individual applicant. The minimum level of financial need of applicants shall be determined by the commission pursuant to Section 69432.9.

(4) The grant award identified in subdivision (c) shall be proportionally reduced if the amount of funding appropriated in the annual Budget Act for this purpose is insufficient to fully fund the total number of students awarded a grant.

(e) (1) Each participating community college shall administer the grant award pursuant to the requirements of this section.

(2) It is the intent of the Legislature that a student is enrolled in a program of study and has completed an education plan identifying courses, a sequence of courses, key progress of milestones, and other requirements the student must complete to earn an associate degree, career technical education certificate, other community college certificate, or meet transfer requirements.

(3) Each participating community college shall encourage students to enroll in a sufficient number of units per semester, quarter, or summer term to be considered on track to obtain a certificate, associate degree for transfer, or associate degree or transfer to a four-year university within two academic years or
within three academic years if a student is required to take basic skill courses by the community college.

(f) This section shall not be operative in a fiscal year unless funding has been provided for this section for that fiscal year in the annual Budget Act or another statute.

SEC. 8. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.