

Date of Hearing: April 28, 2015

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 1361 (Burke) – As Amended April 14, 2015

SUBJECT: Student financial aid: Cal Grant Program: veterans

SUMMARY: Exempts a current or former member of the Armed Forces of the United States, unless the individual received a dishonorable discharge, from the age limitations of the California Community College (CCC) Transfer Cal Grant Entitlement Program.

EXISTING LAW: Establishes the Cal Grant program, administered by the California Student Aid Commission (CSAC), to provide tuition and access cost assistance to eligible students attending qualified institutions. The CCC Transfer Entitlement Awards provides Cal Grant A and B awards to every student who graduated from a California high school after June 30, 2000, was a California resident at the time of high school graduation, transferred to a qualifying baccalaureate-degree granting institution from a CCC during the award year, was under the age of 28 at the time of the transfer, and had a minimum California Community College GPA of 2.4. Maximum award amounts for CSU and UC are established in the annual Budget Act and have traditionally covered all systemwide tuition and fees. The maximum tuition award for Cal Grant A and B for students attending private for-profit colleges is \$4,000 (commencing 2013-14), and for students attending non-profit or WASC-accredited for-profit institutions is \$8,056 (commencing 2015-16).

FISCAL EFFECT: Unknown

COMMENTS: *Background.* As previously outlined, the CCC Transfer Entitlement Program provides Cal Grant A and B awards to qualified students transferring from a CCC to a qualified baccalaureate-degree granting institution. Students are required to meet specified criteria, including that the student will not yet be 28 years of age by December 31 of the award year. In 2014-15, CSAC estimated 60,000 – 75,000 CCC transfer students were potentially eligible for the award, made offers to 17,745, and paid 14,491 awards. According to CSAC, the remaining 42,825 to 57,825 students that were not offered an award may have been disqualified for a variety of reasons, including exceeding the age limit.

Purpose of this bill. According to the author, the age eligibility requirement presents a barrier for veterans who are attending college later in life. According to The Million Records Project by the Student Veterans of America, nationwide 85 percent of veteran students are older than 24 years of age, 47 percent of veterans students are supporting a family, and 46 percent of veterans students are 25 years of age or older when they first enroll in college. This bill assists veterans by removing the age eligibility requirement for current or former members of the Armed Forces of the United States for the CCC Transfer Entitlement Program.

GI Bill. Federal educational assistance programs for veterans have been authorized by federal law since 1944, including the Montgomery GI Bill and the Post-9/11 GI Bill. The latter provides the following annual educational benefits (when fully eligible) to current and former members of the Armed Forces:

- 1) Paying in-state tuition and fees (up to \$17,500 annually) for students attending California schools.
- 2) Monthly housing allowance based on zip code of school, including for students enrolled solely in distance learning.
- 3) Up to \$1,000 annually for books and supplies. (Cal Grants do not provide assistance specifically for books and supplies.)
- 4) Up to \$1,200 for tutoring assistance. (Cal Grants do not provide tutoring assistance.)
- 5) Selected opportunities to transfer these benefits to a spouse or dependent child. (Cal Grants are nontransferable.)

What benefit will this bill provide? The federal government is the last payer if the state offers an equivalent benefit to veterans. Thus, under this bill, the state (via the Cal Grant) would pay the veteran's tuition benefit in place of the federal government. While most students will not see an additional benefit from this bill, some students may, such as students who are ineligible for the full GI Bill benefits, students attending private institutions that participate in the Yellow Ribbon Program, and Cal Grant B students who receive the access award.

REGISTERED SUPPORT / OPPOSITION:

Support

American Legion-Department of California
AMVETS-Department of California
California Association of County Veteran Service Officers
California Military Officer Association of America
California State Commanders Veterans Council
California Student Aid Commission
Community College League of California
National Association of Social Workers – California Chapter
Vietnam Veterans of America-California State Council

Opposition

None on File

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