

Date of Hearing: June 19, 2012

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Marty Block, Chair
SB 1103 (Wright) – As Amended: April 24, 2012

SENATE VOTE: 37-0

SUBJECT: Postsecondary education: Cal Grant Program.

SUMMARY: Requires the California Student Aid Commission (CSAC) to post the following on its Internet website:

- 1) Information submitted annually by institutions participating in the Cal Grant program, pursuant to existing law, beginning the year after CSAC receives the reports, to be made available in a searchable database, and,
- 2) Other information and links useful to students and parents, including, but not limited to, local occupational profiles available through the Employment Development Department's labor Market Information Data Library.

EXISTING LAW:

- 1) Establishes the Cal Grant program under the administration of CSAC and establishes eligibility requirements for students attending qualifying institutions. (Education Code § 69430 et seq.)
- 2) Requires, beginning in 2012, institutions participating in the Cal Grant Program to submit to CSAC annual enrollment, persistence, and graduation data for all students, including Cal Grant recipients, and requires institution to also provide job placement rate and salary and wage information for occupational and career programs as specified. (EC § 44932.2)
- 3) Provides that a “qualifying institution” for purposes of participation in the Cal Grant Program must be one of the following (EC § 69432.7):
 - a) A California private or independent postsecondary educational institution that participates in the Pell Grant program and at least two of the following:
 - i) Federal Work-Study
 - ii) Perkins Loan Program
 - iii) Supplemental Educational Opportunity Grant Program
 - b) A nonprofit institution headquartered and operating in California that:
 - i) Certifies to CSAC that 10% of its operating budget, as demonstrated in an audited financial statement, is expended for institutionally funded student financial aid in the form of grants;
 - ii) Demonstrates the capacity to administer the funds;

- iii) Is accredited by the Western Association of Schools and Colleges or is regionally accredited and was deemed qualified to participate in the Cal Grant Program by CSAC for the 2000-01 academic year; and,
 - iv) Meets any other state-required criteria adopted by regulation by CSAC in consultation with the Department of Finance.
- c) Any California public postsecondary educational institution.

FISCAL EFFECT: The Senate Appropriations Committee determined that there was either no cost to the state or minimal costs, pursuant to Rule 28.8.

COMMENTS: Background. The Education Trailer Bill (SB 70, Chapter 7, Statutes of 2011) that was approved in March 2011, requires each Cal Grant participating institution to provide CSAC with the following information in order to participate in the Cal Grant program:

- 1) Enrollment, persistence, and graduation data for all students; and,
- 2) Job placement rate and salary data and wage information for each program that is either (1) designed or advertised to lead to a particular type of job or (2) advertised or promoted with any claim regarding job placement.

This bill would require CSAC to make this information publicly available on its Web site along with other information and links that may be useful to students, such as labor market information through the state's Employment Development Department.

Need for this bill. According to the author, college is a significant investment for students and their families. While there are many Web sites that provide information about college programs and costs, there are few sites that easily enable students to compare programs and schools to help them make informed choices about their investment. Since the majority of college students participate in some type of financial aid program, and since each year approximately 250,000 students set up a Web Grant account where they can access information about and manage their Cal Grants, the CSAC Web site is a logical place to house information that would enable students and parents to do a side-by-side comparison of institutions or compare similar programs at different institutions.

Timing. According to CSAC, it is currently developing the regulations to implement SB 70, which should be finalized by this September. CSAC anticipates collecting the first institutional reports by the end of December, thus enabling CSAC to post the data in 2013.

REGISTERED SUPPORT / OPPOSITION:

Support

California Manufacturers and Technology Association
California Student Aid Commission

Opposition

None on file.

Analysis Prepared by: Sandra Fried / HIGHER ED. / (916) 319-3960