
THIRD READING

Bill No: AB 77
Author: Committee on Budget
Amended: 6/11/19 in Senate
Vote: 21

SENATE BUDGET & FISCAL REVIEW COMMITTEE: 15-2, 6/12/19
AYES: Mitchell, Nielsen, Beall, Durazo, Hurtado, Leyva, McGuire, Monning,
Moorlach, Pan, Roth, Skinner, Stern, Umberg, Wieckowski
NOES: Jones, Stone
NO VOTE RECORDED: Morrell

ASSEMBLY FLOOR: Not relevant

SUBJECT: Higher education trailer bill

SOURCE: Author

DIGEST: This bill makes necessary changes to implement the higher education provisions adopted as a part of the Budget Act of 2019.

ANALYSIS: This bill makes statutory changes to implement the higher education provisions of the 2019-20 Budget. Specifically, this bill:

- 1) *Cal Grants for Students with Dependent Children*. Creates a new Cal Grant access award of \$4,000 or \$6,000 for California Community College (CCC), University of California (UC) and California State University (CSU) students with dependent children, as specified.
- 2) *Cal Grants for Students at Accredited Private Non-Profit Institutions*. Extends the timeframe by one-year to 2019-20 for accredited private non-profit institutions to meet associate degree for transfer admission thresholds to maintain the maximum Cal Grant award of \$9,084.

- 3) *Competitive Cal Grant Awards*. Increases the number of competitive Cal Grant Awards from 25,750 to 41,000. This bill also repeals existing law that excludes students that qualify for the exemption from nonresident tuition from receiving a competitive Cal Grant. The bill adds legislative intent language for all forms of state-based aid in California to be made equally available to students eligible for state-based financial aid.
- 4) *Middle Class Scholarship*. Adjusts the appropriation for the program to reflect updated caseload and eligibility for the program. The appropriations for the 2017-18, 2018-19, 2019-20, and 2020-21 fiscal years adjust to \$100 million, 2018-19 \$107 million, \$110.3 million, and to \$117 million, respectively.
- 5) *California College Promise Program*. Authorizes colleges meeting specified requirements to use \$43 million Proposition 98 General Fund to waive fees for first-time, full-time community college students for two academic years.
- 6) *Cal Grant B Incentive Program*. Establishes the Cal Grant B Service Incentive Grant Program, under the administration of the California Student Aid Commission (CSAC), for students that qualify for the exemption from nonresident tuition established by AB 540. Students will receive a stipend of up to \$1,500 per semester or \$1,000 per quarter if they perform at least 100 hours of community or volunteer service per quarter or 150 hours of community or volunteer service per semester.
- 7) *Federal Vocational Rehabilitation and Employment Program*. Specifies that a student at CSU or CCC who is receiving benefits under the federal Vocational Rehabilitation and Employment program is exempt from nonresident tuition.
- 8) *UC Institutional Financial Aid*. Allows the UC to use institutional funds to provide scholarships for California students who meet the UC's definition of a California resident.
- 9) *Legislative Analyst's Office Reports*. Amends the deadline for the final evaluation of the community college baccalaureate degree pilot program from July 1, 2021 to February 1, 2020, and eliminates the September 30, 2019 report for the Seymour-Campbell Student Success Act.
- 10) *CSU Capital Outlay*. Authorizes remaining bond funds from 1996, 2002, 2004, and 2006 to be appropriated to the CSU Los Angeles Physical Sciences Building Renovation project.
- 11) *California State University Post-Employment Benefits*. Amends the health and dental benefit vesting schedule for specified new CSU employees to 10 years.

This bill also authorizes the California Public Employees Retirement System to provide retiree contact information to CSU for the purpose of notifying them of retirement benefits.

- 12) *California Kids Investment and Development Savings (KIDS) Program.* Establishes the California KIDS Program to be administered by the Scholarshare Investment Board of the State Treasurer's Office. This program will provide state funding to open college savings accounts for eligible low-income California child born on or after July 1, 2020, and encourages parents to match the state's contribution.
- 13) *Child Savings Account Grant Program.* Establishes the Child Savings Account Grant program, to be administered by the CSAC. This program will provide grants to support local governments and nonprofit organizations that sponsor or create local child savings account programs. Applicants who have a higher percentage of students in the local programs geographic region who are eligible for free or reduced price lunch, lower median family income, or lower college-going rates shall receive priority.
- 14) *Field Act Exemption.* Provides an exemption from the Field Act for buildings operated by a nonprofit foundation on federal land.
- 15) *CSU Center to Close Achievement Gaps.* Creates the Center to Close Achievement Gaps at CSU. The Center will provide resources, such as a clearinghouse on evidenced-based best practices, professional preparation of educators, and assistance to local education agencies to eliminate academic achievement gaps between subgroups of students. The Center's mission is to eliminate academic achievement gaps between subgroups of pupils enrolled in kindergarten and grades 1 to 12.
- 16) *UC Reporting.* Amends statute requiring UC to report to the Legislature annually on system wide initiatives and their costs, to ensure that all programs and initiatives are included in the report.
- 17) *UC and CSU Collaborative for Neurodiversity and Learning.* Establishes the UC and CSU Collaborative for Neurodiversity and Learning, comprised of UC Los Angeles, CSU Dominguez Hills, and other CSU campuses along the Los Angeles basin. The collaborative shall develop a network of brain researchers and educators to develop educational support and new teaching methods for children with diverse learning needs, including children with dyslexia and other learning differences.

- 18) *California State Law Library Special Account*. Extends the sunset date of the California State Law Library Special Account until 2025.
- 19) *Higher Education and CalFresh*. Directs the Department of Social Services, in consultation with the UC, CSU and CCC, to assess the effectiveness of the federal CalFresh program in serving low-income college students and provide recommendations by November 1, 2019, to the Department of Finance and Legislature to improve college student access to the program.
- 20) *CCC Re-entry Grants*. Directs the California Community College Chancellor's Office (CCCCO) to administer a grant program serving currently incarcerated and formerly incarcerated students. Colleges may apply for grants to support these students by offering services such as academic counseling, financial aid information and career counseling.
- 21) *CCC Student Basic Needs Reporting*. Requires CCCCCO to report by March 1, 2020, on the use of funds provided in the Budget to address student basic needs, including housing and food insecurity.
- 22) *Community College Student Centered Funding Formula*. Makes several changes to the Student Centered Funding Formula, including capping outcomes funding to 10 percent of the overall formula, limiting colleges to points for the highest degree a student earns in a year, setting a three-year average for outcomes, altering the definition of a transfer student and extending the hold harmless period for an additional year.
- 23) *Various Adjustments*. Makes other various technical adjustments related to reappropriations and technical assistance.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 6/11/19)

None received

OPPOSITION: (Verified 6/11/19)

None received

Prepared by: Anita Lee / B. & F.R. / 916-651-4103
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