

Item 8

(Action Item)

Consideration of adoption of amendments of regulations to interpret and make specific amended Sections 69999.10 through 69999.24 of the Education Code relating to the California Military Department GI Bill Award Program

SUMMARY:

This item considers the adoption of amendments of regulations for the revised and renamed California Military Department GI Bill Award Program, including the required rulemaking documents and the steps and timeline to complete the regulatory process.

RECOMMENDATION:

Staff recommends the California Student Aid Commission adopt the proposed regulations and authorize staff to complete the regulatory process, including making any necessary changes.

BACKGROUND:

Staff prepared these draft regulations in response to direction provided by the California Student Aid Commission (Commission) at its July 23, 2020 meeting, where the Commission discussed the revised Education Code sections relating to the California Military Department GI Bill Award Program, and the development of regulations to implement and make specific the changes in these sections.

Assembly Bill 2722 (AB 2722) (Medina, Chapter 547, Statutes of 2018) was signed by the Governor and chaptered into law on September 19, 2018, effective January 1, 2019. AB 2722 amended Sections 69999.10 through 69999.24 of the Education Code, and makes the following modifications to the program:

- Revises the name of the program, to the “California Military Department GI Bill Award Program;”
- Deletes a two-year prior service requirement for participants;
- Adds a post program two-year service commitment for participants;
- Limits participants to obtaining one undergraduate, graduate, or doctoral degree;
- Requires participants to complete their studies within ten years, unless extended due to military activation or other unexpected circumstances.
- Removes an allowance for books and supplies for graduate school participants;
- Extends the program indefinitely; and
- Deletes a provision to prepare a 2016 report by the Legislative Analyst.

The proposed regulatory amendments detail the procedures the Commission and the

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California Military Department will use to jointly administer this educational funding program for service members within the Military Department. The proposed regulatory amendments are designed to bring greater efficiency and transparency to program administration, applicant eligibility requirements, and participant responsibilities.

Pursuant to the Administrative Procedures Act (APA), the rulemaking process requires preparation of the draft regulatory text, an Initial Statement of Reasons, a Fiscal Impact Statement, and a Notice of Proposed Regulatory Action, with a minimum 45-day public comment period. Each of the referenced documents is included in the list of attachments.

Staff prepared and filed these documents on January 12, 2021, with the Office of Administrative Law (OAL) for review and publication in the California Regulatory Notice on January 22, 2021. Staff also posted these documents on the Commission's website on January 20, 2021. The 45-day public comment period closes on March 9, 2021, and the Commission shall also consider any public comments provided at the March 10, 2021 public hearing on these regulations.

The Commission must summarize and respond on the record to timely comments directed at the proposal or at the procedures followed by the agency during this process. With each comment, the agency must either (1) explain how it has amended the proposal to accommodate the comment, or (2) explain the reasons for making no change to the proposal. The summary and response to comments are part of the rulemaking file will be included in the Final Statement of Reasons submitted to OAL.

After the initial 45-day public comment period, the Commission may decide to change its initial proposal either in response to public comments received or on its own initiative. If changes to the initial regulations are made, the Commission would have to decide whether the changes necessitate an additional public comment period. Depending on whether the change is non-substantial or substantial, additional comment periods of either 15- or 45-days may be required.

Once the complete rulemaking file is submitted to OAL, OAL has 30 working days to conduct its review. OAL must review the rulemaking record to determine whether it demonstrates that the Commission satisfied the procedural requirements of the APA and complied with the appropriate legal standards. Once OAL has completed its review, and assuming the Commission has met its obligations, OAL files the regulation with the Secretary of State and the regulations will become effective in accordance with the provisions of Government Code Section 11343.4.

Staff is requesting the Commission adopt the proposed amendments to the regulations and authorize staff to complete the formal rulemaking process to implement the regulations under the APA.

RESPONSIBLE PERSON(S):

California Student Aid Commission

Julia Blair, General Counsel
Executive Office

Gary Collord, Retired Annuitant
Executive Office

Colonel Paul S. Eck, Deputy General Counsel
California Military Department

Clarita Cortez, CMD GI Bill Coordinator, J1 – Manpower and Personnel
California Military Department

First Sergeant (CA) Rebecca Wolkenhauer
Legislative Liaison NCOIC, Office of External Affairs
California Military Department

ATTACHMENT(S):

Text of Proposed Regulations

Initial Statement of Reasons

Fiscal Impact Statement (Form 399)

Notice of Proposed Rulemaking

Task and Timeline Schedule