

## Item 9

(Action Item)

### Consideration of adoption of modification to regulations for institutional appeals relating to participation in the Cal Grant Program

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**SUMMARY:**

This item considers the adoption of modifications to proposed regulations for the institutional appeals for participation by qualifying institutions in the Cal Grant program.

**RECOMMENDATION:**

Staff recommends that the Commission adopt the proposed modified regulations and authorize staff to complete the regulatory process.

**BACKGROUND:**

Staff prepared these draft regulations in response to direction provided by the Commission at its July 23, 2020, meeting, where the Commission discussed the requirements of Education Code Section 69432.7(l)(3)(l)(iv), and the development of regulations to implement and make specific this Section.

Staff prepared and filed rulemaking documents on November 17, 2020, with the Office of Administrative Law (OAL) for review and publication in the California Regulatory Notice on November 27, 2020. The Commission adopted the proposed regulations at its January 21, 2021, Commission meeting and public hearing, and directed staff to complete the formal rulemaking process in accordance with the Administrative Procedures Act.

In preparing the final rulemaking documents, staff determined that additional conforming and sufficiently related modifications to the regulations were appropriate and has made the proposed modified regulatory language, along with additional supporting documents and information, available for public comment for a period of at least 15 days as required by Government Code Section 11346.8.

The modifications to the proposed regulations:

- Changes 'may' to 'will' regarding the consideration of specific factors by Commission staff in its evaluation of a submitted appeal.
- Adds how and when the Commission will notify institutions of their appeal status following the submission of a complete appeal package.

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In its initial review of the proposed regulations, OAL also requested additional information in the Initial Statement of Reasons. The Addendum to the Initial Statement of Reasons includes specific reasons the Commission staff considers in its evaluation of a submitted appeal.

The Commission must summarize and respond on the record to timely comments directed at the modified regulatory language subject to the 15-day notice. For each comment received, 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 filed during the 15-day notice period, will be part of the rulemaking file and included in the Final Statement of Reasons submitted to OAL.

Once the complete rulemaking file is submitted to OAL, OAL will have 30 business days to conduct its review. OAL must review the rulemaking record to determine whether it demonstrates 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 will file the regulations with the Secretary of State and the regulations will become effective in accordance with the provisions of Government Code Section 11343.4.

Staff requests that the Commission adopt the proposed modified regulatory text and authorize staff to complete the formal rulemaking process to implement the regulations under the Administrative Procedure Act.

## **RESPONSIBLE PERSON(S):**

Julia Blair, General Counsel  
Executive Office

Synequeen Alasa-as, Associate Governmental Program Analyst  
Executive Office

## **ATTACHMENT(S):**

Text of Modifications to Proposed Regulations

Addendum to Initial Statement of Reasons

Notice of Public Availability of Modified Text