

## Item 7

(Action Item)

Consideration to approve two extensions for the emergency regulations of the Golden State Teacher Grant Program and to initiate permanent rulemaking process

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**SUMMARY:**

This item provides an outline of the proposed steps to extend the emergency regulations for the Golden State Teacher Grant Program and steps to initiate the regular rulemaking process, including the requests for two extensions of the emergency regulations, proposed amended regulations and accompanying documents, and authorize staff to take the necessary steps to initiate the regulatory process for the adoption of permanent regulations.

**RECOMMENDATION:**

Staff recommends the California Student Aid Commission (Commission) authorize staff to request two 90-day extensions of the emergency regulations for the Golden State Teacher Grant Program and to initiate the permanent rulemaking process.

**BACKGROUND:**

At the January 21, 2022, Commission Meeting, the Commission approved proposed amendments to the emergency regulations for the Golden State Teacher Grant Program and authorized staff to complete the emergency regulatory process. The Office of Administrative Law (OAL) approved the emergency rulemaking package. The emergency regulations were endorsed by the Secretary of State and became effective on February 10, 2022.

Emergency regulations are effective for 180 days, during which time the Commission may pursue a permanent rulemaking to ensure that these regulations remain in effect for the duration of the program. The end of the 180 effective period of the emergency regulations is August 9, 2022. If unable to complete the permanent rulemaking within the 180 days, the Commission may request up to two 90-day extensions.

The first 90-day extension will extend the emergency regulations from August 9, 2022, until November 8, 2022. The second 90-day extension would begin

## California Student Aid Commission

November 8, 2022, and extend until February 6, 2023. Staff is requesting authorization by the Commission to seek two 90-day extensions for the emergency regulation to remain in effect while staff completes the permanent regulation process.

Staff has also been working on fulfilling the requirement for permanent regulation. Staff held two stakeholder meetings on June 1- 2, 2022, to consider feedback from participating institutions and students. Staff also prepared an economic impact also known as Standardized Regulatory Impact Assessment (SRIA) to the Department of Finance for Major Regulation due to the regulation exceeding fifty million dollars (\$50,000,000). Lastly, staff worked on extending the emergency regulation to remain effective for the duration of the program.

In addition to the extensions, staff is requesting authority to begin the permanent rulemaking. This will include the development of the proposed text, including amendments based on issues identified since the adoption of the emergency regulations, the Initial Statement of Reasons, the STD 399 Fiscal Impact Statement, and the Notice of Proposed Regulatory Action. The proposed permanent regulations along with the required supporting documents will be submitted to OAL, following Commission approval in September. The rulemaking process requires, at a minimum, a 45-day public comment period.

After the initial 45-day public comment period, the Commission may decide to amend its initial proposal either in response to public comments received or on its own initiative. Depending on whether the change is non-substantial or substantial, an additional comment period of either 15-days or 45-days may be required. The Commission must summarize and respond in the rulemaking file to timely comments that are directed at the proposal or at the procedures followed by the Commission during this process. With each comment, the Commission 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 included in the Final Statement of Reasons that is submitted to OAL.

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 become effective.

## California Student Aid Commission

Staff recommends the Commission approve two 90-days extensions at this time so that emergency regulations can remain in place for an additional 180 days, if necessary, without returning to the Commission for further approvals, and for staff to initiate the permanent rulemaking process.

### RESPONSIBLE PERSON(S):

Jullia Blair, General Counsel  
Executive Office

Tae Kang, Deputy Director  
Program Administration and Services Division

### ATTACHMENT(S):

OAL Regular Rulemaking Process  
Emergency Regulation Text  
Education Code Section 69617  
Permanent Adoption of GSTGP Timeline  
Resolution for GSTGP Extensions