

## Item 9

(Action Item)

Consideration to approve the proposed amendments for the California Community College Expanded Entitlement Program, Section 30023 and 30026 of Title 5 of the CCR

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### **SUMMARY:**

This item provides a description of the proposed amended regulations for the California Community College Expanded Entitlement Program, Section 30023 and 30026 of Title 5 of the California Code of Regulations (CCR, including the proposed regulations text, additional regulatory documents, and a description of the regular rulemaking process.

### **RECOMMENDATION:**

Staff recommends the California Student Aid Commission (Commission) approve the proposed amended regulations and authorize staff to complete the regulatory process, including opening a 45-day public comment period, preparing, and submitting all required documents to the Office of Administrative Law (OAL), and making any non-substantive changes to the regulations and supporting documents as requested by OAL.

### **BACKGROUND:**

As of July 2021, the Commission's rulemaking workgroup, comprised of Program Administration and Services Division (PASD) and the Legal Unit, have been reviewing the Commission's regulations and new programs. The workgroup drafted the attached proposed amended regulation text for the California Community College Expanded Entitlement Program. Education Code Section 69435.5 was added by Assembly Bill 132 (AB 132), Chapter 144, Statutes of 2021, and amended in 2022 by Assembly Bill 183 (Chapter 54, Statutes of 2022).

One of the stated purposes of AB 132 was to: *“establish a California Community College Expanded Entitlement Award for students who were not awarded a Cal Grant A or B award at the time of the student’s high school graduation but who will be enrolled at a California community college during the award year and who meet all of the criteria, as specified.”*

With respect to this goal, Education Code Section 69435.5(c)(1) now provides that: *The commission shall use the standardized student financial aid application described in Section 69432.9. Education Code Section 69432.9(a) requires: A Cal Grant applicant shall submit a complete official financial aid application pursuant to Section 69433 and*

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*applicable regulations adopted by the commission.* Included within the statutory requirements is that an applicant must include information related to their grade point average.

The proposed regulations are designed to establish certain administrative requirements for the newly established California Community College Expanded Entitlement Program, administered by the Commission. The Commission is charged with establishing an appropriate grace period to allow applicants to submit delayed grade point averages, in-lieu test scores, and other corrected information to their financial aid packages. Establishing a workable and clear applicant grace period is necessary for the efficient and effective administration of the program, and the timely award of grants, by the Commission on behalf of student applicants. The proposed regulations would clarify the timeline and grace period by which applicants may submit grade point average information for each academic year, the circumstances under which in-lieu test scores could be submitted as part of an applicant's financial aid application and include this new program within the regulation that describes how to re-establish a grade point average.

Commission approval is required for staff to begin the regulatory process. With the Commission's approval, staff will prepare the regulation package which includes the proposed text, Initial Statement of Reasons, the STD 399 Fiscal Impact Statement, and the Notice of Proposed Regulatory Action. These documents will then be made available for a 45-day public review and comment period through the Office of Administrative Law's California Regulatory Notice Register and on the Commission's website.

The rulemaking process requires, at a minimum, a 45-day public comment period. The Commission may also elect to hold a public hearing on a proposed rulemaking action. If the Commission does not schedule a public hearing, any interested person can submit a written request for one to be held. The written request for a hearing must be submitted at least 15 days prior to the close of the written public comment period, and the agency must give notice of and hold a public hearing. 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 shall decide whether the changes necessitate an additional public comment period. 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 on the record to timely comments that are 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.

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The summary and response to comments are part of the rulemaking file and are included in the Final Statement of Reasons that are 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.

Staff recommends the Commission adopt the proposed amended regulations and authorize staff to complete the regulatory process including opening a 45-day public comment period, preparing, and submitting all required documents to the OAL, and making any non-substantive changes to the regulations and supporting documentation requested by OAL.

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

Mark Paxson, Acting General Counsel  
Executive Office

Tae Kang, Deputy Director  
Program Administration and Services Division

Terry Artica, Customer Relations Manager  
Program Administration and Services Division

## **ATTACHMENT(S):**

Draft of Resolution  
Initial Statement of Reasons  
OAL Regular Rulemaking Process  
CSAC Regular Rulemaking Timeline  
Text of Proposed Regulations