

Assembly Bill No. 376

Passed the Assembly September 12, 2023

Chief Clerk of the Assembly

Passed the Senate September 11, 2023

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2023, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 69409 of, and to add and repeal Section 69439.1 of, the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 376, Villapudua. Student financial aid: Cal Grant C: driver training programs: commercial motor vehicles.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Expanded Entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for these awards for participating students attending qualifying institutions. Existing law requires a Cal Grant C award to be used only for occupational or technical training in a course of not less than 4 months. Existing law requires the commission to consult with appropriate state and federal agencies to identify areas of occupational and technical training for which students may use Cal Grant C awards and to regularly review and update those areas at least every 5 years, as provided.

Existing law requires the Department of Motor Vehicles, no later than June 5, 2020, to adopt regulations related to entry-level driver training requirements for drivers of commercial motor vehicles, including specified minimum hours of behind-the-wheel training and in compliance with the requirements of certain federal regulations.

This bill would additionally authorize a Cal Grant C award to be used for entry-level driver training programs of less than 4 months that comply with those driver training regulations and are offered at qualifying institutions. The bill would require the Student Aid Commission to classify an institution as a qualifying institution if its driver training program has a graduation rate of at least 30%, is listed on the Federal Motor Carrier Safety Administration training provider registry, and has been approved by the Bureau

for Private Postsecondary Education. The bill would repeal these provisions on January 1, 2028.

The Cal Grant Reform Act revises and recasts the provisions establishing and governing the existing Cal Grant Program into a new Cal Grant Program. Existing law specifies that the act becomes operative only if General Fund moneys over the multiyear forecasts beginning in the 2024–25 fiscal year are available to support ongoing augmentations and actions, and if funding is provided in the annual Budget Act to implement the act. Under existing law, if the act becomes operative, an otherwise eligible student enrolled in a qualifying occupational and technical training program who would have been eligible for aid under the Cal Grant C Program would be eligible to receive a prorated Cal Grant award as specified in the Budget Act.

If the Cal Grant Reform Act becomes operative, this bill would additionally authorize, until January 1, 2028, an otherwise eligible student enrolled in an entry-level driver training program of less than 4 months that complies with those driver training regulations and is offered at a qualifying institution to receive a prorated Cal Grant award as specified in the Budget Act.

This bill would require the Student Aid Commission, in consultation with the Bureau for Private Postsecondary Education, to submit a report to the Legislature, on or before April 1, 2027, on the above-described authorizations to use a Cal Grant award for an entry-level driver training program, as provided.

The people of the State of California do enact as follows:

SECTION 1. Section 69409 of the Education Code is amended to read:

69409. (a) Pursuant to the long-term policy of the Cal Grant Reform Act Program established pursuant to Section 69407, the commission shall make awards under the Cal Grant Program for payment of tuition or student fees, nontuition costs, or both tuition or student fees and nontuition costs, in accordance with the following:

(1) The commission shall determine the timelines and procedures for the application process for awards, and the timelines and procedures for the distribution of those awards, under this chapter. In determining those timelines and procedures, the commission

shall take into consideration the relevant academic calendars of high schools and postsecondary educational institutions and shall ensure that students and their families have sufficient time to complete the application process and, once the results of that process are known, to make informed decisions about achieving the students' educational goals with any available Cal Grant award.

(2) (A) As a continuation of the Cal Grant C Program established under Article 6 (commencing with Section 69439) of Chapter 1.7, as it read on January 1, 2024, an otherwise eligible student enrolled in a qualifying occupational and technical training program who would have been eligible for aid under the Cal Grant C Program, shall be eligible to receive a prorated Cal Grant award as specified in the Budget Act.

(B) A qualifying occupational and technical training program shall be defined and determined based on the criteria established under Article 6 (commencing with Section 69439) of Chapter 1.7, as it read on January 1, 2024.

(C) A qualifying occupational and technical training program shall also include, until January 1, 2028, an entry-level driver training program as described in Section 69439.1, as that section read on January 1, 2024.

(b) (1) The commission, in consultation with the Bureau for Private Postsecondary Education, shall submit a report on or before April 1, 2027, on the pilot program to the Legislature that includes, but is not limited to, all of the following information:

(A) The total number of award payments made under the pilot program for each award year for which information is available.

(B) The total amount of funds expended for purposes of award payments made under the pilot program for each year for which information is available.

(C) A list of qualifying institutions participating in the pilot program.

(D) Graduation data for students, including aggregate information on Cal Grant award recipients for each qualifying institution participating in the pilot program, to the extent practicable.

(E) Job placement and licensure rates of graduates employed in the field for each qualifying institution participating in the pilot program, to the extent practicable.

(F) Recommendations for improving the pilot program, including, but not limited to, other factors or measures that should be considered for classifying an institution as a qualifying institution under the pilot program and whether the Cal Grant program is the appropriate place for administering a program intended to cover training costs of programs of fewer than four months duration for purposes of meeting a strategic workforce need.

(2) The report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(3) For purposes of this paragraph, “pilot program” means an entry-level driver training program, as described in subparagraph (C) of paragraph (2) of subdivision (a).

SEC. 2. Section 69439.1 is added to the Education Code, immediately following Section 69439, to read:

69439.1. (a) For purposes of this section, “pilot program” means an entry-level driver training program of less than four months that is offered at a qualifying institution, as described in subdivision (b).

(b) Notwithstanding Section 69439, commencing January 1, 2024, a Cal Grant C award may also be used for entry-level driver training programs of less than four months that are compliant with the regulations adopted pursuant to Section 15250.1 of the Vehicle Code and that are offered at qualifying institutions, as determined by the commission. The commission shall classify an institution as a qualifying institution if the graduation rate of the driver training program is at least 30 percent, if the driver training program is listed on the Federal Motor Carrier Safety Administration training provider registry, as established by Subpart G (commencing with Section 380.700) of Part 380 of Subchapter B of Chapter III of Subtitle B of Title 49 of the Code of Federal Regulations, and if the driver training program is approved by the Bureau for Private Postsecondary Education, as established pursuant to Section 94875.

(c) (1) The commission, in consultation with the Bureau for Private Postsecondary Education, shall submit a report on or before April 1, 2027, on the pilot program to the Legislature that includes, but is not limited to, all of the following information:

(A) The total number of award payments made under the pilot program for each award year for which information is available.

(B) The total amount of funds expended for purposes of award payments made under the pilot program for each year for which information is available.

(C) A list of qualifying institutions participating in the pilot program.

(D) Graduation data for students, including aggregate information on Cal Grant C recipients for each qualifying institution participating in the pilot program, to the extent practicable.

(E) Job placement and licensure rates of graduates employed in the field for each qualifying institution participating in the pilot program, to the extent practicable.

(F) Recommendations for improving the pilot program, including, but not limited to, other factors or measures that should be considered for classifying an institution as a qualifying institution under the pilot program and whether the Cal Grant program is the appropriate place for administering a program intended to cover training costs of programs of fewer than four months duration for purposes of meeting a strategic workforce need.

(2) The report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(d) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

Approved _____, 2023

Governor