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Student Aid Commission

Dream Act Assistance to States

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- Governor and Senate.** No proposal.
- Assembly.** Adopted trailer bill language (TBL) to authorize the California Student Aid Commission (CSAC) to enter into contracts and collect fees for services provided to assist other states with the implementation of their own Dream Acts. The fee revenues would be deposited into and continuously appropriated from the newly created CSAC Financial Processor Fund.
- LAO Compromise.** Modify Assembly TBL to (1) specify that all costs associated with providing Dream Act technical assistance to other states shall be paid from fees collected for this purpose, and (2) provide a mechanism to use any residual funds to improve California's financial aid services. Adopt new BBL requiring CSAC to report on the revenue collected in the new fund and the use of these monies.

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LAO Compromise—Modify Assembly TBL

Amend Education Code Section 69433:

~~e.~~X. *There is hereby created in the State Treasury the California Student Aid Commission Financial Processor Fund, to be administered by the California Student Aid Commission, the purpose of which is to provide assistance to other states with implementation of their Dream Act programs and to improve financial aid services for California.*

X. The commission may enter into contracts with a public agency or a private entity to improve the processing and distribution of grants, fellowships, and loans through the use of electronic networks and unified data bases. The Commission may receive payment, reimbursement and/or resources for contracts entered into pursuant to this subdivision.

~~(f) Any moneys received pursuant to subdivision (e) shall be deposited into the California Student Aid Commission Financial Processor Fund, which is hereby created in the State Treasury. X. The commission shall establish fees for services provided pursuant to this section to recover the full costs of providing assistance to other states. The commission shall deposit all revenues from these activities in the Student Financial Aid Processor Fund. Only moneys received for the purposes of this article may be deposited into the fund. The fund shall be credited with all investment income earned by moneys in the fund. The moneys received for the purposes of this article are not part of the General Fund as defined in Section 16300 of the Government Code.~~

(1). Notwithstanding Section 13340 of the Government Code, moneys in the fund are hereby continuously appropriated to the commission without regard to fiscal year for the purposes enumerated in this article, including changes to the commission's processing system.

(2) The funds in the California Student Aid Commission Financial Processor Fund shall be paid out by the State Treasurer on warrants drawn by the Controller, or through a transfer between the California Student Aid Commission Financial Processor Fund and the General Fund, and requisitioned by the commission in carrying out the purposes of this article.

X. The commission shall use monies in the fund for all costs associated with providing technical assistance to other states. The commission may use residual monies from the fund to improve financial aid services for California. Prior to the expenditure of residual funds, the commission shall submit a detailed expenditure plan for approval by the Department of Finance. The Director of Finance shall provide notification in writing of any approval granted under this section, not less than 30 days prior to the effective date of that approval, to the chairperson of the Joint Legislative Budget Committee, or not later than whatever lesser amount of time prior to that effective date the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.



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LAO Compromise—New BBL

Add New Provision:

X. By October 1, 2014, the commission shall submit a report to the Department of Finance and the Joint Legislative Budget Committee detailing the revenue collected in the Financial Processor Fund and the use of these funds.