Solano Community College will post any changes to the Federal Rules and Regulations that govern the Financial Aid process and student eligibility to this page. Due to frequent updates, check this page often.

January 18, 2012-Federal

Auto-Zero EFC Income Threshold- Public Law 112-74 amended HEA section 479(c) to reduce the income threshold for an automatic zero expected family contribution (EFC) from $30,000 to $23,000 for the 2012-2013 award year for both dependent and independent students.

Ability-to-Benefit- Public Law 112-74 amended HEA section 484(d) to eliminate Federal student aid eligibility for students without a “certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate.” The law makes an exception for students who have completed a secondary school qualify for Title IV student aid under one of the ability-to-benefit (ATB) alternatives if the student was enrolled in a Title IV eligible program prior to July 1, 2012.

We note that this change does not affect students with intellectual disabilities who are enrolled in approved Comprehensive Transition and Postsecondary Programs. Students who enroll in such programs remain eligible for Title IV assistance from the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, and Federal Work Study programs even if they do not have a high school diploma or its recognized equivalent. The elimination of ATB alternatives to a high school diploma (or recognized equivalent) applies to students who first enroll in a program of study on or after July 1, 2012. Therefore, a student who does not possess a high school diploma, or a recognized equivalent, but who is or was, enrolled in a Title IV eligible program anytime prior to July 1, 2012, may be eligible to receive Title IV student assistance under ATB alternatives.

2012-2013 Federal Pell Grant Amounts- Public Law 112-74 included funds to establish the maximum Federal Pell Grant award for the 2012-2013 Award Year at $4,860. However, HEA section 401 (b) (7) provides for an automatic increase to the appropriate Federal Pell Grant maximum award for 2012-2013 of $690, resulting in a 2012-2013 maximum award of $5,550.

Minimum Federal Pell Grant Award and Maximum EFC- Public Law 112-74 amended HEA section 401(b)(4) to change the minimum Federal Pell Grant award calculation. Specifically, the new law establishes the minimum Federal Pell Grant award for a student at ten percent of the maximum award amount for the award year. Therefore, beginning with the 2012 award year, students will not receive a Federal Pell Grant if they are not eligible for at least ten percent of the maximum award for the academic year.
Federal & State Updates: Changes that affect students

Federal Pell Grant Duration of Eligibility—Public Law 112-74 amended HEA section 401(c)(5) to reduce the duration of a student’s eligibility to receive a Federal Pell Grant from 18 semesters (or its equivalent) to 12 semesters (or its equivalent). This provision applies to all Federal Pell Grant eligibility students effective with the 2012-2013 award year. The calculation of the duration of the student’s eligibility will include all years of the student’s receipt of Federal Pell Grant Funding. We will calculate the equivalency by adding together each of the annual percentages of a student’s scheduled award that was actually disbursed to the student.

A student may decline all or part of a disbursement of Pell Grant funds that the student is otherwise eligible to receive. A student may wish to take this action if the student expects to qualify for a larger Pell Grant in future years as a result of an expected transfer to a more expensive educational institution or an expected change in the student’s expected family contribution.

To decline Pell Grant funds, a student must deliver to the school a signed, written statement clearly indicating that the student is declining Pell Grant funds for which he or she is otherwise eligible and that the student understands that those funds may not be available once the award year is over. The school must, if necessary, submit any adjustment records for the student to the Common Origination and Disbursement (COD) system. A student may not return any Pell Grant funds from a prior award year that the student was otherwise eligible to receive.

Grace Period Interest Subsidy—Public Law 112-74 amended HEA section 428(a)(3)(A)(i)(I) to temporarily eliminate the interest subsidy provided on Direct Subsidized Loans during the six-month grace period provided to students when they are no longer enrolled in at least a half-time basis. This change will be effective for new Direct Stafford Loans for which the first disbursement is made on or after July 1, 2012, and before July 1, 2014.

February 17, 2012—GOM 2012-07-2012-13 High School Entitlement Cal Grant Update—State
The California Student Aid Commission (Commission) is pleased to announce the initial 2012-13 Cal Grant selection process for the High School Entitlements. Students will receive an e-mail notification to create a Web Grants for Students (WGS) account and view their California Aid Report (CAR) online. The CAR provides instructions to manage their WGS account, process a school change, and read the “Important Facts About Your Cal Grant Award” fact sheet. Students who do not have an e-mail address or who have an undeliverable e-mail address will receive a paper CAR.