



OFFICE OF THE GOVERNOR

OCT 8 2015

To the Members of the California State Assembly:

Assembly Bill 573 would extend Cal Grant eligibility for former students of Heald College and create a grant program within the Attorney General's office to fund nonprofit organizations providing free legal services to former students of Corinthian Colleges.

I am sympathetic to the many students who were enrolled at Corinthian Colleges when the company abruptly shuttered its doors earlier this year. I signed SB 150, which prevents students whose loans have been discharged from being penalized a second time with a significant tax bill on the value of the loan discharge, which they can ill afford to pay.

The U.S. Department of Education has taken the matter of loan discharge seriously. In recent months, it has greatly eased the burden of filings for many students, and its work to provide a simple, swift and fair process for students continues. As such, it appears premature to create an attorney grant program, especially one that provides little direction on how funds should be used.

While the bill's provisions to extend Cal Grant eligibility for Heald students are well-intentioned, I am not comfortable creating new General Fund costs outside of the budget process, particularly given the Cal Grant augmentations already included in this year's budget. For these reasons, I am returning this bill without my signature.

Sincerely,


Edmund G. Brown Jr.