

STUDENT AID AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen Kwan

Senate Sponsor: Ann Millner

Cosponsors: Derrin R. Owens Travis M. Seegmiller
Melissa G. Ballard Val K. Potter
Jennifer Dailey-Provost

LONG TITLE

General Description:

This bill requires the completion of the Free Application for Federal Student Aid to be eligible for certain state financial aid for higher education.

Highlighted Provisions:

This bill:

- ▶ requires the completion of the Free Application for Federal Student Aid to be eligible for certain state financial aid for higher education; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

53B-8-105, as last amended by Laws of Utah 2019, Chapter 444

53B-8-115, as enacted by Laws of Utah 2019, Chapter 273 and last amended by Coordination Clause, Laws of Utah 2019, Chapter 357

53B-8-116, as enacted by Laws of Utah 2019, Chapter 129

28 **53B-13a-104**, as last amended by Laws of Utah 2011, Chapter 11

29 **53B-13b-104**, as enacted by Laws of Utah 2014, Chapter 87

30

31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **53B-8-105** is amended to read:

33 **53B-8-105. New Century scholarships -- High school requirements.**

34 (1) As used in this section:

35 (a) "Complete the requirements for an associate degree" means that a student:

36 (i) (A) completes all the required courses for an associate degree from a higher
37 education institution within the state system of higher education that offers associate degrees;

38 and

39 (B) applies for the associate degree from the institution; or

40 (ii) completes equivalent requirements described in Subsection (1)(a)(i)(A) from a
41 higher education institution within the state system of higher education that offers

42 baccalaureate degrees but does not offer associate degrees.

43 (b) "Fee" means a fee approved by the board.

44 (2) (a) The board shall award New Century scholarships.

45 (b) The board shall develop and approve the math and science curriculum described
46 under Subsection (3)(a)(ii).

47 (3) (a) In order to qualify for a New Century scholarship, a student in Utah schools
48 shall complete the requirements for an:

49 (i) associate degree; or

50 (ii) approved math and science curriculum.

51 (b) The requirements under Subsection (3)(a) shall be completed:

52 (i) by the day on which the student's class graduates from high school; and

53 (ii) with at least a 3.0 grade point average.

54 (c) In addition to the requirements in Subsection (3)(a), a student in Utah shall:

55 (i) complete the high school graduation requirements of:

56 (A) a public high school established by the State Board of Education and the student's
57 school district or charter school; or

58 (B) a private high school in the state that is accredited by a regional accrediting body
59 approved by the board; and

60 (ii) complete high school with at least a 3.5 cumulative high school grade point
61 average.

62 (4) Notwithstanding Subsection (3), for a student who does not receive a high school
63 grade point average, the student shall:

64 (a) complete the requirements for an associate degree:

65 (i) by June 15 of the year the student completes high school; and

66 (ii) with at least a 3.0 grade point average; and

67 (b) score a composite ACT score of 26 or higher.

68 (5) (a) To be eligible for the scholarship, a student:

69 ~~(a)~~ (i) shall submit an application to the board with:

70 ~~(i)~~ (A) an official college transcript showing college courses the student has
71 completed to complete the requirements for an associate degree; and

72 ~~(ii) (A)~~ (B) if applicable, an official high school transcript~~;~~ ~~or (B)~~ or, if applicable, a
73 copy of the student's ACT scores;

74 ~~(b)~~ (ii) shall be a citizen of the United States or a noncitizen who is eligible to receive
75 federal student aid;

76 ~~(c)~~ (iii) may not have a criminal record, with the exception of a misdemeanor traffic
77 citation; ~~and~~

78 ~~(d)~~ (iv) if applicable, shall meet the application deadlines as established by the board
79 under Subsection (10)~~[-]; and~~

80 (v) shall demonstrate, in accordance with rules described in Subsection (5)(b), the
81 completion of a Free Application for Federal Student Aid.

82 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
83 board shall make rules regarding the completion of the Free Application for Federal Student

84 Aid described in Subsection (5)(a)(v), including:

85 (i) provisions for students or parents to opt out of the requirement due to:

86 (A) financial ineligibility for any potential grant or other financial aid;

87 (B) personal privacy concerns; or

88 (C) other reasons the board specifies; and

89 (ii) direction for applicants to financial aid advisors.

90 (6) (a) The scholarship may be used at a:

91 (i) higher education institution within the state system of higher education that offers
92 baccalaureate programs; or

93 (ii) if the scholarship holder applies for the scholarship on or before October 1, 2019,
94 private, nonprofit college or university in the state accredited by the Northwest Association of
95 Schools and Colleges that offers baccalaureate programs.

96 (b) (i) Subject to Subsection (6)(e), the total value of the scholarship is up to \$5,000,
97 allocated over a time period described in Subsection (6)(c), as prescribed by the board.

98 (ii) The board may increase the scholarship amount described in Subsection (6)(b)(i)
99 by an amount not to exceed the average percentage tuition increase approved by the board for
100 institutions in the state system of higher education.

101 (c) The scholarship is valid for the shortest of the following time periods:

102 (i) two years of full-time equivalent enrollment;

103 (ii) 60 credit hours; or

104 (iii) until the student meets the requirements for a baccalaureate degree.

105 (d) (i) A scholarship holder shall enroll full-time at a higher education institution by no
106 later than the fall term immediately following the student's high school graduation date or
107 receive an approved deferral from the board.

108 (ii) The board may grant a deferral or leave of absence to a scholarship holder, but the
109 scholarship holder may only receive scholarship money within five years of the student's high
110 school graduation date.

111 (e) For a scholarship for which a student applies after October 1, 2019:

112 (i) the board shall reduce the amount of the scholarship holder's scholarship so that the
113 total amount of state aid awarded to the scholarship holder, including tuition or fee waivers or
114 the scholarship, does not exceed the cost of the scholarship holder's tuition and fees; and

115 (ii) the scholarship holder may only use the scholarship for tuition and fees.

116 (7) The board may cancel a New Century scholarship at any time if the student fails to:

117 (a) register for at least 15 credit hours per semester;

118 (b) maintain a 3.3 grade point average for two consecutive semesters; or

119 (c) make reasonable progress toward the completion of a baccalaureate degree.

120 (8) (a) Subject to future budget constraints, the Legislature shall make an annual
121 appropriation from the General Fund to the board for the costs associated with the New
122 Century Scholarship Program authorized under this section.

123 (b) It is understood that the appropriation is offset in part by the state money that would
124 otherwise be required and appropriated for these students if they were enrolled in a four-year
125 postsecondary program at a state-operated institution.

126 (c) Notwithstanding Subsections (2)(a) and (6), if the appropriation under Subsection
127 (8)(a) is insufficient to cover the costs associated with the New Century Scholarship Program,
128 the board may reduce the scholarship amount.

129 (d) If money appropriated under this section is available after New Century
130 scholarships are awarded, the board shall use the money for the Access Utah Promise
131 Scholarship Program created in Section [53B-8-302](#).

132 (9) (a) The board shall adopt policies establishing an application process and an appeal
133 process for a New Century scholarship.

134 (b) The board shall disclose on all applications and related materials that the amount of
135 the scholarship is subject to funding and may be reduced, in accordance with Subsection (8)(c).

136 (c) The board shall require an applicant for a New Century scholarship to certify under
137 penalty of perjury that:

138 (i) the applicant is a United States citizen; or

139 (ii) the applicant is a noncitizen who is eligible to receive federal student aid.

140 (d) The certification under this Subsection (9) shall include a statement advising the
141 signer that providing false information subjects the signer to penalties for perjury.

142 (10) The board may set deadlines for receiving New Century scholarship applications
143 and supporting documentation.

144 (11) A student may not receive both a New Century scholarship and a Regents'
145 scholarship established in Part 2, Regents' Scholarship Program.

146 Section 2. Section **53B-8-115** is amended to read:

147 **53B-8-115. Career and technical education scholarships.**

148 (1) As used in this section:

149 (a) "Eligible institution" means:

150 (i) Salt Lake Community College's School of Applied Technology established in
151 Section [53B-16-209](#);

152 (ii) Snow College;

153 (iii) Utah State University Eastern established in Section [53B-18-1201](#);

154 (iv) Utah State University Blanding established in Section [53B-18-1202](#); or

155 (v) the Utah State University regional campus located at or near Moab described in
156 Section [53B-18-301](#).

157 (b) "High demand program" means a noncredit career and technical education program
158 that:

159 (i) is offered by an eligible institution;

160 (ii) leads to a certificate; and

161 (iii) is designated by the board in accordance with Subsection (6).

162 (c) "Scholarship" means a career and technical education scholarship described in this
163 section.

164 (2) Subject to future budget constraints, the Legislature shall annually appropriate
165 money to the board to be distributed to eligible institutions to award career and technical
166 education scholarships.

167 (3) In accordance with the rules described in Subsection (5), an eligible institution may

168 award a scholarship to an individual who:

169 (a) is enrolled in, or intends to enroll in, a high demand program[-]; and

170 (b) demonstrates, in accordance with rules described in Subsection (5)(b), the
171 completion of a Free Application for Federal Student Aid.

172 (4) (a) An eligible institution may award a scholarship for an amount of money up to
173 the total cost of tuition, fees, and required textbooks for the high demand program in which the
174 scholarship recipient is enrolled or intends to enroll.

175 (b) An eligible institution may award a scholarship to a scholarship recipient for up to
176 two academic years.

177 (c) An eligible institution may cancel a scholarship if the scholarship recipient does
178 not:

179 (i) maintain enrollment in the eligible institution on at least a half time basis, as
180 determined by the eligible institution; or

181 (ii) make satisfactory progress toward the completion of a certificate.

182 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
183 board shall make rules:

184 (a) that establish:

185 ~~[(a)]~~ (i) how state funding available for scholarships is divided among eligible
186 institutions;

187 ~~[(b)]~~ (ii) requirements related to an eligible institution's administration of a scholarship;

188 ~~[(c)]~~ (iii) requirements related to eligibility for a scholarship, including requiring
189 eligible institutions to prioritize scholarships for underserved populations;

190 ~~[(d)]~~ (iv) a process for an individual to apply to an eligible institution to receive a
191 scholarship; and

192 ~~[(e)]~~ (v) how to determine satisfactory progress described in Subsection (4)(c)(ii)[-];

193 and

194 (b) regarding the completion of the Free Application for Federal Student Aid described
195 in Subsection (3)(b), including:

- 196 (i) provisions for students or parents to opt out of the requirement due to:
- 197 (A) financial ineligibility for any potential grant or other financial aid;
- 198 (B) personal privacy concerns; or
- 199 (C) other reasons the board specifies; and
- 200 (ii) direction for applicants to financial aid advisors.

201 (6) Every other year, after consulting with the Department of Workforce Services, the
 202 board shall designate, as a high demand program, a noncredit career and technical education
 203 program that prepares an individual to work in a job that has, in Utah:

- 204 (a) high employer demand and high median hourly wages; or
- 205 (b) significant industry importance.

206 Section 3. Section **53B-8-116** is amended to read:

207 **53B-8-116. Terrel H. Bell Education Scholarship Program -- Scholarship**
 208 **requirements -- Rulemaking.**

209 (1) As used in this section:

210 (a) "Approved program" means a program that:

- 211 (i) is a teacher preparation program that:
- 212 (A) meets the standards described in Section [53E-6-302](#); and
- 213 (B) provides enhanced clinical experiences; or

214 (ii) prepares an individual to become:

- 215 (A) a speech-language pathologist; or
- 216 (B) another licensed professional providing services in a public school to students with
 217 disabilities.

218 (b) "Eligible institution" means a public or private institution of higher education in
 219 Utah that offers an approved program.

220 (c) "High needs area" means a subject area or field in public education that has a high
 221 need for teachers or other employees, as determined in accordance with Subsections (6) and
 222 (7).

223 (d) "Scholarship" means a scholarship described in this section.

224 (2) Subject to future budget constraints, the Legislature shall annually appropriate
225 money to the board for the Terrel H. Bell Education Scholarship Program to be distributed to
226 eligible institutions to award scholarships to incentivize students to work in public education in
227 Utah.

228 (3) (a) Subject to the prioritization described in Subsection (3)(b), an eligible
229 institution may award a scholarship to an individual who:

230 (i) meets the academic standards described in Subsection (6);

231 (ii) is enrolled in at least six credit hours at the eligible institution; ~~and~~

232 (iii) declares an intent to:

233 (A) apply to and complete an approved program at the eligible institution; and

234 (B) work in a Utah public school~~[-];~~ and

235 (iv) demonstrates, in accordance with rules described in Subsection (6)(b), the
236 completion of a Free Application for Federal Student Aid.

237 (b) An eligible institution shall prioritize awarding of scholarships:

238 (i) first, to first generation students who intend to work in any area in a Utah public
239 school;

240 (ii) second, to students who:

241 (A) are not first generation students; and

242 (B) intend to work in a high needs area in a Utah public school; and

243 (iii) last, to other students who meet the requirements described in Subsection (3)(a).

244 (4) (a) Except as provided in Subsection (4)(b), an eligible institution may award a
245 scholarship to an individual for an amount up to the cost of resident tuition, fees, and books for
246 the number of credit hours in which the individual is enrolled each semester.

247 (b) An eligible institution that is a private institution may not award a scholarship for
248 an amount of money that exceeds the average scholarship amount granted by a public
249 institution of higher education.

250 (5) (a) Except as provided in Subsection (5)(b), an eligible institution may award a
251 scholarship to an individual for up to four consecutive years.

- 252 (b) An eligible institution may grant a scholarship recipient a leave of absence.
- 253 (c) An eligible institution may cancel a scholarship if:
- 254 (i) the scholarship recipient fails to make reasonable progress toward completion of the
- 255 approved program, as determined by the eligible institution; or
- 256 (ii) the eligible institution determines with reasonable certainty that the scholarship
- 257 recipient does not intend to work in a Utah public school.
- 258 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 259 board shall make rules:
- 260 (a) that establish:
- 261 ~~[(a)]~~ (i) requirements related to an eligible institution's administration of a scholarship;
- 262 ~~[(b)]~~ (ii) a process for an individual to apply to an eligible institution to receive a
- 263 scholarship;
- 264 ~~[(c)]~~ (iii) in accordance with Subsection (3)(a), requirements related to eligibility for a
- 265 scholarship, including required academic standards;
- 266 ~~[(d)]~~ (iv) in accordance with Subsection (3)(b), requirements related to prioritization of
- 267 scholarships, including determination of:
- 268 ~~[(i)]~~ (A) whether a student is a first generation student; and
- 269 ~~[(ii)]~~ (B) high needs areas; and
- 270 ~~[(e)]~~ (v) criteria to determine whether an individual intends to work in a Utah public
- 271 school~~[-];~~ and
- 272 (b) regarding the completion of the Free Application for Federal Student Aid described
- 273 in Subsection (3)(a)(iv), including:
- 274 (i) provisions for students or parents to opt out of the requirement due to:
- 275 (A) financial ineligibility for any potential grant or other financial aid;
- 276 (B) personal privacy concerns; or
- 277 (C) other reasons the board specifies; and
- 278 (ii) direction for applicants to financial aid advisors.
- 279 (7) The board shall consult with the State Board of Education to determine:

280 (a) whether a teacher preparation program provides enhanced clinical experiences; and
281 (b) which subject areas and fields are high needs areas.

282 (8) The board may use up to 5% of money appropriated for the purposes described in
283 this section to promote the scholarships described in this section.

284 Section 4. Section **53B-13a-104** is amended to read:

285 **53B-13a-104. Guidelines for administration of the program.**

286 (1) The board shall use the guidelines set forth in this section to develop and
287 administer the program.

288 (2) (a) The board shall allocate money appropriated for the program to institutions to
289 provide for either need-based grants or need-based work-study stipends, giving strong
290 emphasis to need-based work-study stipends.

291 (b) Need-based grants or need-based work-study stipends are the only forms of student
292 financial assistance for which program money may be used.

293 (c) The board may not use program money for administrative costs or overhead.

294 (d) An institution may not use more than 3% of its program money for administrative
295 costs or overhead.

296 (3) (a) The board shall design the program to utilize a packaging approach that ensures
297 that institutions combine loans, grants, employment, and family and individual contributions
298 toward financing the cost of attendance at a postsecondary institution.

299 (b) (i) To be eligible for a grant or stipend under this section, a student shall
300 demonstrate, in accordance with rules described in Subsection (3)(b)(ii), the completion of a
301 Free Application for Federal Student Aid.

302 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
303 board shall make rules regarding the completion of the Free Application for Federal Student
304 Aid described in Subsection (3)(b)(i), including:

305 (A) provisions for students or parents to opt out of the requirement due to financial
306 ineligibility for any potential grant or other financial aid, personal privacy concerns, or other
307 reasons the board specifies; and

308 (B) direction for applicants to financial aid advisors.

309 (4) The board shall:

310 (a) use an appropriate need analysis system to determine a student's financial need for
311 the purpose of awarding a program grant or work-study stipend; and

312 (b) base the criteria for awarding program funds to an institution or eligible student on
313 assisting only the most financially needy students.

314 (5) The total sum of a program grant, a work-study stipend, other financial aid from
315 any source, and the expected family and personal contribution, may not exceed the cost of
316 attendance for an eligible student at an institution for a fiscal year.

317 (6) The board shall establish annually the minimum and maximum amounts for a
318 program grant and a work-study stipend for the fiscal year.

319 (7) An institution shall award a program grant or work-study stipend on an annual basis
320 but distribute the money one quarter or semester at a time, with continuing awards contingent
321 upon the eligible student maintaining satisfactory academic progress as defined by the
322 institution in published policies or rules.

323 (8) An institution shall award all program money without regard to an applicant's race,
324 creed, color, religion, sex, or ancestry.

325 (9) Students receiving financial assistance under the program [~~are required to~~] shall
326 apply the money toward the cost of attendance at the institution attended, as established
327 pursuant to board rules.

328 (10) The board shall adopt policies to implement this chapter and to ensure sound
329 fiduciary administration of program money to accomplish program objectives.

330 (11) The board may require a participation agreement from an eligible postsecondary
331 institution, which shall include an agreement to:

332 (a) provide information needed by the board to administer the program;

333 (b) comply with program rules;

334 (c) submit annual reports as required by the board; and

335 (d) cooperate in program reviews and financial audits as the board may determine to be

336 necessary.

337 (12) The board shall annually report program outcomes to the governor and the
338 Legislature's Higher Education Appropriations Subcommittee, including:

339 (a) utilization of program money, including the:

340 (i) number of program recipients at each institution; and

341 (ii) average amount of financial assistance provided;

342 (b) benefits in fulfillment of the purposes established for the program; and

343 (c) any recommendations for program modification, including recommended funding
344 levels.

345 (13) The board shall regularly provide information to students on professional training
346 and degree programs available in the state through online career and educational exploration
347 tools.

348 Section 5. Section **53B-13b-104** is amended to read:

349 **53B-13b-104. Guidelines for administration of the program.**

350 (1) The board shall use the guidelines in this section to develop policies to implement
351 and administer the program.

352 (2) (a) The board shall allocate money appropriated for the program to institutions to
353 provide grants for qualifying military veterans.

354 (b) The board may not use program money for administrative costs or overhead.

355 (c) An institution may not use more than 3% of its program money for administrative
356 costs or overhead.

357 (d) Money returned to the board under Subsection (3)(b) shall be used for future
358 allocations to institutions.

359 (3) (a) An institution shall award a program grant to a qualifying military veteran on an
360 annual basis but distribute the money one quarter or semester at a time, with continuing awards
361 contingent upon the qualifying military veteran maintaining satisfactory academic progress as
362 defined by the institution in published policies or rules.

363 (b) At the conclusion of the academic year, money distributed to an institution that was

364 not awarded to a qualifying military veteran or used for allowed administrative purposes shall
365 be returned to the board.

366 (c) (i) To qualify for a program grant under this section, a military veteran shall
367 demonstrate, in accordance with rules described in Subsection (3)(c)(ii), the completion of a
368 Free Application for Federal Student Aid.

369 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
370 board shall make rules regarding the completion of the Free Application for Federal Student
371 Aid described in Subsection (3)(c)(i), including:

372 (A) provisions for students or parents to opt out of the requirement due to financial
373 ineligibility for any potential grant or other financial aid, personal privacy concerns, or other
374 reasons the board specifies; and

375 (B) direction for applicants to financial aid advisors.

376 (4) A qualifying military veteran may receive a program grant until the earlier of the
377 following occurs:

378 (a) the qualifying military veteran completes the requirements for a bachelor's degree;

379 or

380 (b) 12 months from the time that the qualifying military veteran receives an initial
381 program grant.

382 (5) A qualifying military veteran who receives a program grant may only use the grant
383 toward tuition at an institution of higher education in the state.

384 (6) The board may accept grants, gifts, bequests, and devises of real and personal
385 property from any source for the purpose of awarding grants to qualifying military veterans in
386 addition to those funded by the state.