

STUDENT AID AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen Kwan

Senate Sponsor: Ann Millner

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

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

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



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

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

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

(1) As used in this section:

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

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

and

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

(ii) completes equivalent requirements described in Subsection (1)(a)(i)(A) from a higher education institution within the state system of higher education that offers baccalaureate degrees but does not offer associate degrees.

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

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

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

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

(i) associate degree; or

(ii) approved math and science curriculum.

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

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

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

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

(i) complete the high school graduation requirements of:

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

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

(ii) complete high school with at least a 3.5 cumulative high school grade point

59 average.

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

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

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

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

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

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

67 ~~[(a)]~~ (i) shall submit an application to the board with:

68 ~~[(i)]~~ (A) an official college transcript showing college courses the student has

69 completed to complete the requirements for an associate degree; and

70 ~~[(ii)-(A)]~~ (B) if applicable, an official high school transcript~~[-or-(B)]~~ or, if applicable, a

71 copy of the student's ACT scores;

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

74 ~~[(c)]~~ (iii) may not have a criminal record, with the exception of a misdemeanor traffic
75 citation; ~~[and]~~

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

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

80 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
81 board shall make rules regarding the completion of the Free Application for Federal Student
82 Aid described in Subsection (5)(a)(v), including:

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

84 (A) financial ineligibility for any potential grant or other financial aid; ~~H~~→ ~~or~~

84a **(B) personal privacy concerns; or**

85 ~~(B)]~~ (C) ~~H~~← other reasons the board specifies; and

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

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

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

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

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

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

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

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

100 (ii) 60 credit hours; or

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

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

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

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

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

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

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

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

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

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

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

120 (b) It is understood that the appropriation is offset in part by the state money that would

121 otherwise be required and appropriated for these students if they were enrolled in a four-year
122 postsecondary program at a state-operated institution.

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

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

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

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

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

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

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

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

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

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

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

144 **53B-8-115. Career and technical education scholarships.**

145 (1) As used in this section:

146 (a) "Eligible institution" means:

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

149 (ii) Snow College;

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

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

152 (v) the Utah State University regional campus located at or near Moab described in
153 Section 53B-18-301.

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

- 156 (i) is offered by an eligible institution;
- 157 (ii) leads to a certificate; and
- 158 (iii) is designated by the board in accordance with Subsection (6).

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

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

164 (3) In accordance with the rules described in Subsection (5), an eligible institution may
165 award a scholarship to an individual who:

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

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

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

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

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

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

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

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

181 (a) that establish:

182 [~~(a)~~] (i) how state funding available for scholarships is divided among eligible

183 institutions;

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

185 ~~[(c)]~~ (iii) requirements related to eligibility for a scholarship, including requiring

186 eligible institutions to prioritize scholarships for underserved populations;

187 ~~[(d)]~~ (iv) a process for an individual to apply to an eligible institution to receive a

188 scholarship; and

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

190 and

191 (b) regarding the completion of the Free Application for Federal Student Aid described

192 in Subsection (3)(b), including:

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

194 (A) financial ineligibility for any potential grant or other financial aid; ~~H~~→ ~~or~~

194a **(B) personal privacy concerns; or**

195 ~~(B)~~ **(C)** ←~~H~~ other reasons the board specifies; and

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

197 (6) Every other year, after consulting with the Department of Workforce Services, the

198 board shall designate, as a high demand program, a noncredit career and technical education

199 program that prepares an individual to work in a job that has, in Utah:

200 (a) high employer demand and high median hourly wages; or

201 (b) significant industry importance.

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

203 **53B-8-116. Terrel H. Bell Education Scholarship Program -- Scholarship**

204 **requirements -- Rulemaking.**

205 (1) As used in this section:

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

207 (i) is a teacher preparation program that:

208 (A) meets the standards described in Section **53E-6-302**; and

209 (B) provides enhanced clinical experiences; or

210 (ii) prepares an individual to become:

211 (A) a speech-language pathologist; or

212 (B) another licensed professional providing services in a public school to students with

213 disabilities.

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

216 (c) "High needs area" means a subject area or field in public education that has a high
217 need for teachers or other employees, as determined in accordance with Subsections (6) and
218 (7).

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

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

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

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

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

228 (iii) declares an intent to:

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

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

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

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

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

236 (ii) second, to students who:

237 (A) are not first generation students; and

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

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

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

243 (b) An eligible institution that is a private institution may not award a scholarship for
244 an amount of money that exceeds the average scholarship amount granted by a public

245 institution of higher education.

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

248 (b) An eligible institution may grant a scholarship recipient a leave of absence.

249 (c) An eligible institution may cancel a scholarship if:

250 (i) the scholarship recipient fails to make reasonable progress toward completion of the
251 approved program, as determined by the eligible institution; or

252 (ii) the eligible institution determines with reasonable certainty that the scholarship
253 recipient does not intend to work in a Utah public school.

254 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
255 board shall make rules:

256 (a) that establish:

257 ~~[(a)]~~ (i) requirements related to an eligible institution's administration of a scholarship;

258 ~~[(b)]~~ (ii) a process for an individual to apply to an eligible institution to receive a
259 scholarship;

260 ~~[(c)]~~ (iii) in accordance with Subsection (3)(a), requirements related to eligibility for a
261 scholarship, including required academic standards;

262 ~~[(d)]~~ (iv) in accordance with Subsection (3)(b), requirements related to prioritization of
263 scholarships, including determination of:

264 ~~[(i)]~~ (A) whether a student is a first generation student; and

265 ~~[(ii)]~~ (B) high needs areas; and

266 ~~[(e)]~~ (v) criteria to determine whether an individual intends to work in a Utah public
267 school~~[-];~~ and

268 (b) regarding the completion of the Free Application for Federal Student Aid described
269 in Subsection (3)(a)(iv), including:

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

271 (A) financial ineligibility for any potential grant or other financial aid; ~~H~~→ [or]

271a (B) personal privacy concerns; or

272 ~~[(B)]~~ (C) ~~←H~~ other reasons the board specifies; and

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

274 (7) The board shall consult with the State Board of Education to determine:

275 (a) whether a teacher preparation program provides enhanced clinical experiences; and

276 (b) which subject areas and fields are high needs areas.

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

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

280 **53B-13a-104. Guidelines for administration of the program.**

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

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

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

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

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

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

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

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

300 (A) provisions for students or parents to opt out of the requirement due to financial
301 ineligibility for any potential grant or other financial aid ~~that~~ , **personal privacy concerns,** ~~or~~ or
301a other reasons the board specifies;
302 and

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

304 (4) The board shall:

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

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

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

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

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

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

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

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

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

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

328 (b) comply with program rules;

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

330 (d) cooperate in program reviews and financial audits as the board may determine to be
331 necessary.

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

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

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

336 (ii) average amount of financial assistance provided;

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

338 (c) any recommendations for program modification, including recommended funding
339 levels.

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

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

344 **53B-13b-104. Guidelines for administration of the program.**

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

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

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

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

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

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

358 (b) At the conclusion of the academic year, money distributed to an institution that was
359 not awarded to a qualifying military veteran or used for allowed administrative purposes shall
360 be returned to the board.

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

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

367 (A) provisions for students or parents to opt out of the requirement due to financial
368 ineligibility for any potential grant or other financial aid ~~→~~ **→** , personal privacy concerns, ~~←~~ **←** or
368a other reasons the board specifies;

369 and

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

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

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

374 or

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

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

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