

HB0197S01 compared with HB0197

~~{deleted text}~~ shows text that was in HB0197 but was deleted in HB0197S01.

inserted text shows text that was not in HB0197 but was inserted into HB0197S01.

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Representative Tyler Clancy proposes the following substitute bill:

HIGHER EDUCATION FINANCIAL AID AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Tyler Clancy

Senate Sponsor: ~~{~~ Nate Blouin

LONG TITLE

General Description:

This bill amends provisions related to higher education scholarships.

Highlighted Provisions:

This bill:

- ~~{~~ → allows a president of a state institution of higher education to waive tuition for students who are members of certain tribes;
- defines terms;
- ‡ ▶ ~~{extends}~~ amends the length of eligibility for promise grants;
- ▶ allows the Utah Board of Higher Education (board) to supplement funding with private contributions;
- ▶ allows the board to name a promise partner grant after a business that has funded the grant;

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- ▶ extends promise partner grants to dependents of promise partner employees;
- ▶ allows Veterans Tuition Gap Program funds to be applied to education-related supplies and housing allowances; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

~~{ This bill provides a special effective date. }~~ None

Utah Code Sections Affected:

AMENDS:

- ~~{ 53B-8-101, as last amended by Laws of Utah 2020, Chapter 365~~
- ~~‡ 53B-13a-104, as repealed and reenacted by Laws of Utah 2022, Chapter 370~~
- ~~53B-13a-106, as renumbered and amended by Laws of Utah 2022, Chapter 370~~
- ~~53B-13b-104, as last amended by Laws of Utah 2020, Chapters 37, 196~~

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

Section 1. Section ~~{53B-8-101}~~53B-13a-104 is amended to read:

~~{ 53B-8-101. Waiver of tuition.~~

~~———— (1) (a) The president of an institution of higher education described in Section 53B-2-101 may waive all or part of the tuition on behalf of meritorious or impecunious resident students to an amount not exceeding 10% of the total amount of tuition which, in the absence of the waivers, would have been collected from all Utah resident students at the institution of higher education.~~

~~———— (b) (i) Two and a half percent of the waivers designated in Subsection (1)(a) shall be set aside for members of the Utah National Guard.~~

~~———— (ii) A waiver described in Subsection (1)(b)(i) shall be preserved by the student at least 60 days before the beginning of an academic term.~~

~~———— (2) (a) A president of an institution of higher education listed in Subsections 53B-2-101(1)(a) through (h) may waive all or part of the nonresident portion of tuition for a meritorious nonresident undergraduate student.~~

~~———— (b) In determining which students are meritorious for purposes of granting a tuition~~

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~~waiver under Subsection (2)(a), a president shall consider students who are performing above the average at the institution of higher education, including having an admissions index higher than the average for the institution, if an admissions index is used.~~

~~—— (c) A president of an institution of higher education may continue to waive the nonresident portion of tuition for a student described in Subsection (2)(a) for as long as the student is enrolled at the institution of higher education.~~

~~—— (d) In addition to waiving the nonresident portion of tuition for a meritorious nonresident student under Subsection (2)(a), a president of an institution of higher education may waive the resident portion of tuition after the meritorious nonresident student completes a year of full-time study at the institution of higher education.~~

~~—— (3) (a) A president of an institution of higher education described in Section 53B-2-101 may waive all or part of the resident tuition for a student who is an individual described in Subsection 53B-8-102(10).~~

~~—— (b) The waiver limitation described in Subsection (1)(a) does not apply to a tuition waiver described in Subsection (3)(a).~~

~~—— [(3)] (4) To encourage students to enroll for instruction in occupations critical to the state for which trained personnel are in short supply, a president of an institution of higher education shall grant additional full or partial tuition waivers upon recommendation of the board.~~

~~—— [(4)] (5) A president of an institution of higher education may waive all or part of the difference between resident and nonresident tuition for:~~

~~—— (a) meritorious graduate students; or~~

~~—— (b) nonresident summer school students.~~

~~—— [(5)] (6) The board may establish policies that:~~

~~—— (a) require an institution of higher education described in Subsections 53B-2-101(1)(a) through (h) to regularly assess and report whether the institution of higher education's use of tuition waivers supports the goals established by the board in accordance with Section 53B-1-402 for the institution of higher education;~~

~~—— (b) subject to the provisions of this section, establish the amount or percentage of tuition that an institution of higher education may waive;~~

~~—— (c) define the terms "meritorious" and "impecunious," as the terms apply to tuition~~

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~~waivers for resident students described in Subsection (1)(a); and~~

~~—— (d) establish limitations on an institution of higher education's allocation of waivers described in Subsection (1)(a) for resident students who are meritorious or resident students who are impecunious.~~

~~—— [(6)] (7) (a) The board shall submit an annual budget appropriation request for each institution of higher education described in Section 53B-2-101.~~

~~—— (b) A request described in Subsection [(6)(a)] (7)(a) shall include requests for funds sufficient [in amount] to equal the estimated loss of dedicated credits that would be realized if all of the tuition waivers authorized by Subsection (2) were granted.~~

~~—— Section 2. Section 53B-13a-104 is amended to read:~~

‡ **53B-13a-104. Promise grants.**

(1) (a) As part of the Utah Promise Program and in accordance with this section, the board shall allocate available money to each institution to use to award promise grants to eligible students to pay the eligible student's cost of attendance.

(b) An eligible student may apply for a promise grant in accordance with procedures established by board rule.

(c) The amount of a promise grant to an eligible student may not exceed the amount equal to the difference between:

(i) the eligible student's cost of attendance; and

(ii) the total value of other financial aid that the eligible student receives toward the eligible student's cost of attendance.

(d) An eligible student may transfer a promise grant to one or more other institutions.

(2) In administering this section, the board shall use a packaging approach that ensures that institutions combine loans, grants, employment, and family and individual contributions toward financing the cost of attendance.

(3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that board shall make rules establishing:

(a) an application process;

(b) eligibility criteria, including:

(i) criteria related to academic achievement and enrollment status; and

(ii) a requirement that an applicant demonstrate completion of the Free Application for

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Federal Student Aid, unless the student or the student's parent opts out in accordance with board rule;

(c) how a student demonstrates financial need;

~~[(d) a process to defer a promise grant;]~~

~~[(e)]~~ (d) a formula to determine the allocation of money to institutions in accordance with Subsection (1), taking into account:

(i) the cost of attendance for programs offered by institutions; and

(ii) the number of eligible students who attend each institution; and

~~[(f)]~~ (e) a methodology for prioritizing award of promise grants based primarily on financial need.

~~[(4) After an institution awards a promise grant to an eligible student, the institution shall continue to award a promise grant to the eligible student:]~~

~~[(a) until the earlier of:]~~

~~[(i) two years after the eligible student first receives a promise grant; or]~~

~~[(ii) after the eligible student uses a promise grant to attend an institution for four semesters; and]~~

~~[(b) provided the eligible student continues to meet the eligibility criteria:]~~

(4) A student is eligible for a promise grant until the student:

(a) earns a first bachelor's degree ~~or technical college certificate~~; or

(b) completes 120 credit hours.

(5) The board or an institution may not represent to a recipient or a potential recipient of a promise grant that promise grants will remain available in perpetuity.

(6) (a) The board may require an institution to enter into a participation agreement before the institution may award promise grants.

(b) In a participation agreement, the board shall include a requirement that the institution:

(i) provide to the board information necessary to administer the promise grants;

(ii) comply with this section and board rules related to the promise grants;

(iii) submit reports related to the promise grants as required by board rule; and

(iv) cooperate in any review or financial audit related to the promise grants that the board determines necessary.

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(7) (a) The board may use up to 2% of the money appropriated for promise grants for costs related to administering the promise grants.

(b) An institution may use up to 3% of the money the institution receives for promise grants for costs related to administering the promise grants.

(8) The board may supplement state appropriations for the program with private contributions.

Section ~~(3)~~2. Section **53B-13a-106** is amended to read:

53B-13a-106. Utah promise partners.

(1) As part of the Utah Promise Program [~~and in consultation with the Talent Ready Utah Program created in Section 63N-1b-302~~], the board may select employers to be promise partners.

(2) The board may select an employer as a promise partner if the employer:

(a) applies to the board to be a promise partner; and

(b) meets other requirements established by the board in the rules described in

Subsection [~~(5)~~] (6).

(3) An individual employed by, or who is a dependent of an employee of, a promise partner is eligible to receive a partner award if the individual:

(a) applies for a partner award;

(b) is admitted to and enrolled in an institution; and

~~[(c) meets requirements established by the promise partner related to a partner award; and]~~

~~[(d) (c) maintains the eligibility requirements described in this Subsection (3) for the full length of time the individual receives the partner award.~~

(4) (a) Subject to legislative appropriations and Subsection (4)(b), the board shall award a partner award to an individual who meets the requirements described in Subsection (3).

(b) The board may:

(i) award a partner award for up to the portion of tuition and fees for a program at an institution that is not covered by [~~an employer reimbursement~~] a promise partnership described in Subsection [~~(5)(b)~~] (6)(a); and

(ii) prioritize awarding partner awards if an appropriation for partner awards is not

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sufficient to provide a partner award to each individual who is eligible under Subsection (3).

(c) The board may continue to award a partner award to a recipient who meets the requirements described in Subsection (3) until the ~~[earliest of the following]~~ earlier of:

(i) ~~[two years after]~~ four years after the day on which the individual initially receives a partner award;

(ii) when the recipient uses a partner award to attend an institution for ~~[four]~~ eight semesters; or

(iii) when the recipient completes an approved program.

~~[(iii) the recipient completes the requirements for an associate degree; or]~~

~~[(iv) if the recipient attends an institution that does not offer associate degrees, the recipient has 60 earned credit hours.]~~

(5) The board may name a specific promise grant after the donating business.

~~[(5)]~~ (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules that establish:

(a) ~~[requirements for an employer]~~ a process for a business to seek and receive approval from the board [for the employer's employees to receive partner awards] to become a promise partner, including providing funds for tuition and fees to be distributed under the Utah Promise Program;

~~[(b) requirements related to an employer providing reimbursement to an employee who receives a partner award for a portion of the employee's tuition and fees;]~~

~~[(c)]~~ (b) a process for an individual to apply for a partner award; and

~~[(d)]~~ (c) criteria for the board to prioritize awarding partner awards to individuals[; and].

~~[(e) a requirement that an institution shall, for a recipient of a partner award:]~~

~~[(i) evaluate the recipient's knowledge, skills, and competencies acquired through formal or informal education outside the traditional postsecondary academic environment; and]~~

~~[(ii) award credit, as applicable, for the recipient's prior learning described in Subsection (5)(c)(i).]~~

~~[(6)]~~ (7) The board may allow an individual to apply directly to the board for a partner award.

Section ~~{4}~~3. Section **53B-13b-104** is amended to read:

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

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

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

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

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

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

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

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

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

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

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

(B) direction for applicants to financial aid advisors.

(4) A qualifying military veteran may receive a program grant ~~until~~ ~~the earlier of the following occurs]~~ when:

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

or

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(b) [~~12 months from the time that~~] the qualifying military veteran receives [~~an initial program grant~~] the maximum award that the board sets.

(5) A qualifying military veteran who receives a program grant may [~~only~~] use the grant toward tuition, fees [~~and~~], books, education-related supplies, and a housing allowance at an institution of higher education in the state.

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

~~{ Section 5. **Effective date:**~~

~~—— (1) Except as provided in Subsection (2), if approved by two-thirds of all the members elected to each house, Section 53B-8-101 takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the day of the veto override.~~

~~—— (2) The actions affecting the following sections take effect on May 3, 2023:~~

~~—— (a) Section 53B-13a-104;~~

~~—— (b) Section 53B-13a-106; and~~

~~—— (c) Section 53B-13b-104.~~

~~‡~~