

CESAR CHAVEZ SCHOLARSHIP PROGRAM

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: James M. Evans

LONG TITLE

General Description:

This bill modifies a financial aid program for students who attend postsecondary education institutions in Utah.

Highlighted Provisions:

This bill:

- ▶ creates the Cesar Chavez Scholarship Program within the Utah Centennial Opportunity Program for Education;
- ▶ specifies qualifications for a Cesar Chavez Scholarship and the amount of the scholarship;

~~§ [—▶ appropriates money for the Cesar Chavez Scholarship Program;]~~ § and

- ▶ makes technical amendments.

Monies Appropriated in this Bill:

~~§ [— This bill appropriates as an ongoing appropriation subject to future budget constraints, \$250,000 from the General Fund for fiscal year 2004-05 to the State Board of Regents.] NONE~~ §

Other Special Clauses:

This bill takes effect on July 1, 2004.

Utah Code Sections Affected:

AMENDS:

- 53B-13a-102**, as last amended by Chapter 402, Laws of Utah 1998
- 53B-13a-104**, as enacted by Chapter 302, Laws of Utah 1996
- 53B-13a-105**, as last amended by Chapter 402, Laws of Utah 1998



28 ENACTS:

29 **53B-13a-106**, Utah Code Annotated 1953



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

32 Section 1. Section **53B-13a-102** is amended to read:

33 **53B-13a-102. Definitions.**

34 As used in this chapter:

35 (1) "Cost of attendance" means the total of costs payable to the institution, plus other
36 direct educational expenses and transportation and living expenses while attending the
37 institution, set forth in institutional cost-of-attendance budgets which meet criteria established
38 by board rules.

39 (2) (a) "Eligible student" means a financially needy [~~undergraduate~~] student who is:
40 (i) unconditionally admitted to and enrolled at a Utah [~~public~~] postsecondary institution
41 [~~or a Utah private nonprofit postsecondary institution which is accredited by a regional~~
42 ~~accrediting organization recognized by the board]~~ on at least a half-time basis, as defined by
43 the board, in an eligible postsecondary program leading to a defined education or training
44 objective, as defined by the board[;]; and [~~who is]~~

45 (ii) (A) a resident student under Section 53B-8-102 and rules of the board[;]; or

46 (B) exempt from paying the nonresident portion of total tuition under Section
47 53B-8-106.

48 (b) "Eligible student" does not include a graduate student.

49 (3) "Federal poverty guideline" means the federal poverty measure issued each year by
50 the U.S. Department of Health and Human Services in the Federal Register.

51 [~~(3)~~] (4) "Financial aid" means grants or work-study stipends to financially needy
52 students enrolled or accepted for enrollment at a Utah [~~public~~] postsecondary institution.

53 [~~(4)~~] (5) "Financially needy student" means a [~~post high school~~] student [~~at a Utah~~
54 ~~public postsecondary institution]~~ who demonstrates, on the basis of criteria established by the
55 board, the financial inability, either through the student's parents or family, or personally, to
56 meet all or a portion of the total cost of attendance at [~~the~~] an institution for any period of
57 attendance as defined by the board.

58 [~~(5)~~] (6) "Fiscal year" means the fiscal year of the state.

59 ~~[(6)]~~ (7) "Program" means the Utah Centennial Opportunity Program for Education.

60 ~~[(7)]~~ (8) "Utah ~~[public]~~ postsecondary institution" or "institution" means:

61 (a) an institution of higher education listed in ~~[Subsection]~~ Section 53B-1-102~~(+)~~;

62 ~~[and] or~~

63 (b) ~~[any applied technology center operated by the state or a political subdivision of the~~
64 ~~state which provides postsecondary education and training]~~ a Utah private, nonprofit
65 postsecondary institution that is accredited by a regional accrediting organization recognized by
66 the board.

67 Section 2. Section **53B-13a-104** is amended to read:

68 **53B-13a-104. Guidelines for administration of the program.**

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

71 (2) The board may design either a centralized or decentralized basis for award of grants
72 and payment of stipends to eligible students, depending on its evaluation of the administrative
73 capabilities of the institutions attended by the students.

74 (3) The board may, based on an analysis of costs for institutional administration of the
75 program, provide from program monies an institutional administrative costs allowance of up to
76 3.1% of the total value of the grants and stipends awarded for eligible students at the institution
77 for a fiscal year.

78 (4) (a) The board may provide for both need-based grant awards and need-based
79 work-study stipends to be paid from the monies appropriated and made available for the
80 program, with need-based work-study stipends given strong emphasis.

81 (b) The need-based grants or work-study stipends are the only forms of student
82 financial aid for which program monies may be used.

83 (5) The board shall:

84 (a) provide for coordination of program awards with all existing programs of student
85 financial aid, including all federal programs, except those specifically dedicated to a particular
86 institution by the donor; and

87 (b) design the program to complement existing federal, state, and institutional
88 programs.

89 (6) Rules and administrative requirements for the program shall be developed in

90 consultation with the institutions [~~of postsecondary education~~], with appropriate state agencies
91 and private sector organizations regarding the work-study component, and with other interested
92 groups which may be able to contribute to the effectiveness of program development and
93 implementation.

94 (7) The board shall design the program to utilize the packaging approach by which
95 institutions currently combine loans, grants, employment, and family and individual
96 contributions toward financing the cost of attendance at postsecondary institutions.

97 (8) The program shall require use of an appropriate need analysis system, which may
98 be the same system used for determining eligibility under federal student financial aid
99 programs, in determining financial need for the awarding of program grants and work-study
100 stipends.

101 (9) In no case may the amount of program grants or work-study stipends or both, with
102 other financial aid from any source, both need and merit-based, and with expected family and
103 personal contributions, exceed the cost of attendance for the student at the institution for a
104 fiscal year.

105 (10) Criteria for awards of program funds to institutions and students shall be based on
106 assisting only the most financially needy eligible students.

107 (11) The board shall establish annually the minimum and maximum amounts for
108 program grants and work-study stipends for the fiscal year.

109 (12) Grants and work-study stipends shall be awarded on an annual basis but paid one
110 quarter or semester at a time, with payments for quarters or semesters after the first term
111 contingent upon the student's maintaining satisfactory progress as defined by the institution in
112 published policies or rules.

113 (13) All awards under the program shall be made without regard to an applicant's race,
114 creed, color, religion, sex, or ancestry.

115 (14) Students receiving financial aid under the program are required to apply the
116 monies toward the cost of attendance at the institution attended, as established pursuant to
117 board rules.

118 (15) The board shall adopt and publish rules which implement this [~~section~~] chapter
119 and any other provisions the board reasonably determines necessary to ensure sound fiduciary
120 administration of program monies and accomplishment of the program objective to assist

121 financially needy state residents to achieve access to and persistence in postsecondary
122 education and training.

123 (16) The board may require annual participation agreements from eligible
124 postsecondary institutions, which shall include an agreement to:

125 (a) provide information needed by the board to administer the program~~[-for~~
126 ~~compliance]~~;

127 (b) comply with program rules in recommending or awarding program grants and
128 work-study stipends to individual students~~[-for submission of]~~;

129 (c) submit annual reports as required by the board~~[-]~~; and ~~[for cooperation]~~

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

132 (17) The board, with cooperation from participating institutions, shall:

133 (a) establish a research ~~[data base]~~ database;

134 (b) conduct appropriate research into the effects of student financial aid on students'
135 access to and persistence in postsecondary education and training; and

136 (c) utilize the research in planning and modifying the design of the program.

137 (18) The board shall report annually to the governor and the Legislature on:

138 (a) the administration of the program;

139 (b) utilization of program monies;

140 (c) benefits in fulfillment of the purposes established for the program; and

141 (d) any recommendations for program modification, including recommended funding
142 levels.

143 (19) The board shall regularly provide information to students on employment
144 opportunities in occupational and professional training and degree programs as identified
145 through annual marketplace surveys.

146 Section 3. Section **53B-13a-105** is amended to read:

147 **53B-13a-105. Disbursal of financial aid -- Additional resources.**

148 ~~[(1)(a) There is appropriated from the General Fund for fiscal year 1998-99, \$125,000~~
149 ~~to the State Board of Regents to expand the student financial aid program authorized under this~~
150 ~~chapter to eligible students admitted and enrolled at a Utah private nonprofit postsecondary~~
151 ~~institution under Subsection 53B-13a-102(2).]~~

152 ~~[(b) The appropriation under Subsection (1)(a) is to supplement the line item~~
 153 ~~appropriation made in the appropriations act for funding of the program.]~~

154 ~~[(2)]~~ (1) The board shall allocate the monies available under the program to each
 155 ~~[eligible]~~ Utah postsecondary institution in the same proportion as the amount of Pell Grant
 156 monies received by the institution for resident ~~[under graduate]~~ undergraduate students during
 157 the most recently completed fiscal year that Pell Grants were given bears to the total Pell Grant
 158 monies received by all ~~[eligible]~~ Utah postsecondary institutions for resident ~~[under graduate]~~
 159 undergraduate students during that same year.

160 ~~[(3)]~~ (2) The board may accept grants, gifts, bequests, and devises of real and personal
 161 property from any source for the purpose of granting student financial aid in addition to that
 162 funded by the state.

163 Section 4. Section **53B-13a-106** is enacted to read:

164 **53B-13a-106. Cesar Chavez Scholarship Program.**

165 (1) The Cesar Chavez Scholarship Program is created within the Utah Centennial
 166 Opportunity Program for Education.

167 (2) To qualify for a Cesar Chavez Scholarship, a student must:

168 (a) be an eligible student as defined in Section 53B-13a-102; and

169 (b) have a family income less than 200% of the federal poverty guideline for the family
 170 size.

171 (3) (a) Cesar Chavez Scholarships shall be awarded in the following amounts:

172 (i) if the scholarship recipient is enrolled at a public institution, an amount not to
 173 exceed the total of resident tuition and general fee charges; or

174 (ii) if the scholarship recipient is enrolled at a private, nonprofit institution, an amount
 175 not to exceed the total of tuition and general fee charges.

176 (b) A scholarship for a student enrolled at a private, nonprofit institution may not
 177 exceed the maximum program grant established by the board for the fiscal year.

178 (4) The board § [shall] MAY § allocate § [at least] UP TO § 10% of the money appropriated
 178a to the board for the

179 Utah Centennial Opportunity Program in Education for the Cesar Chavez Scholarship Program.

180 **§ [Section 5. Appropriation:**

181 ~~—— (1) As an ongoing appropriation subject to future budget constraints, there is~~

182 ~~appropriated from the General Fund for fiscal year 2004-05, \$250,000 to the State Board of] §~~

183 **§ ~~Regents for the Cesar Chavez Scholarship Program:~~**
184 ~~———— (2) The money for the Cesar Chavez Scholarship Program appropriated in Subsection~~
185 ~~(1) is in addition to the scholarship program's allocation of monies appropriated for the Utah~~
186 ~~Centennial Opportunity Program in Education, as provided by Section 53B-13a-106.] §~~
187 Section 6. **Effective date.**
188 This bill takes effect on July 1, 2004.

Legislative Review Note
as of 1-8-04 10:33 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number SB0040

Cesar Chavez Scholarship Program

14-Feb-04

1:30 PM

AMENDED BILL

State Impact

No Fiscal Impact

Individual and Business Impact

Eligible students selected to receive financial support would have the tuition or a portion thereof paid for through the scholarship fund.

Office of the Legislative Fiscal Analyst