

STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

HOUSE BILL 2926

By: Dunnington

AS INTRODUCED

An Act relating to higher education; creating the Oklahoma Community College Scholarship Act; providing definitions; requiring the Oklahoma State Regents for Higher Education to administer the Oklahoma Community College Scholarship Program for certain students under certain terms and conditions; requiring students to be a resident and enrolled full time; providing for exceptions; requiring completion of an application; requiring students to maintain certain grade point average; requiring students to participate in mentoring and community service programs; directing the State Regents to develop the programs; establishing amount of scholarship; allowing students who take medical or personal leave to remain eligible for the scholarship; establishing time limits on eligibility; requiring continuous enrollment; providing for allocation of scholarships from the Oklahoma Community College Scholarship Trust Fund; establishing conditions for funding scholarships; authorizing the State Regents to set aside certain funds; establishing funding priority for certain students; creating the Oklahoma Community College Scholarship Trust Fund; making the State Regents the trustees; providing for utilization of the trust fund; stating source of funding; providing for budgeting and expenditures; providing for accrual of income and investment return; allowing use of trust fund principal for certain purposes; prohibiting use of trust funds for administrative expenses; providing for payment of administrative expenses from certain budget; directing the State Regents to adopt rules for the transfer of funds; limiting allocations from the trust fund; prohibiting use of trust fund for certain administrative and operating expenses; providing for codification;

1 providing an effective date; and declaring an
2 emergency.

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4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 2641 of Title 70, unless there
7 is created a duplication in numbering, reads as follows:

8 This act shall be known and may be cited as the "Oklahoma
9 Community College Scholarship Act".

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 2642 of Title 70, unless there
12 is created a duplication in numbering, reads as follows:

13 A. As used in the Oklahoma Community College Scholarship Act:

14 1. "Continuous enrollment" means a student is enrolled in the
15 fall and spring semesters of a single academic year. Enrollment in
16 summer semester or intersession terms shall not be required;

17 2. "Eligible high school" means a high school accredited by the
18 State Board of Education, the Oklahoma School of Science and
19 Mathematics, a private school located in the state or an educational
20 program that is provided through a means other than a public or
21 private school;

22 3. "Eligible postsecondary institution" means an institution
23 which is a member of The Oklahoma State System of Higher Education,
24 a postsecondary vocational-technical program offered pursuant to a

1 duly approved cooperative agreement between a technology center
2 school and an institution of The Oklahoma State System of Higher
3 Education or a private institution of higher learning located within
4 this state and accredited pursuant to Section 4103 of Title 70 of
5 the Oklahoma Statutes;

6 4. "Full-time student" means a student who is enrolled in a
7 minimum of twelve (12) semester hours or its equivalent;

8 5. "Gap support" means scholarships and grants from any source
9 that do not require repayment, including funds provided through the
10 federal Foster Care Independence Act of 1999 and other similar
11 programs. Tuition waiver or scholarship programs offered by an
12 eligible postsecondary institution which are funded with local
13 funding and for which eligibility is based on graduation from
14 certain high schools or residency in certain school districts or
15 counties shall be considered gap support. Student loans and work-
16 study awards shall not be considered gap support;

17 6. "Resident" means a student who is a resident of the state;
18 and

19 7. "State Regents" means the Oklahoma State Regents for Higher
20 Education.

21 B. The Oklahoma State Regents for Higher Education shall
22 administer the Oklahoma Community College Scholarship Program for
23 Oklahoma residents seeking an associate's degree, certificate or
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1 diploma from an eligible postsecondary institution under the
2 following terms and conditions:

3 1. To be eligible for the scholarship, a student shall be a
4 resident and be admitted to and enrolled full time in an eligible
5 postsecondary program in the fall term following graduation from an
6 eligible high school or having obtained a high school equivalency
7 diploma; provided, that the student obtains the high school
8 equivalency diploma prior to the student reaching nineteen (19)
9 years of age. Exceptions to initial enrollment may be made for
10 extenuating circumstances as provided in rules promulgated by the
11 State Regents;

12 2. Students applying for the scholarship shall complete the
13 scholarship application for their initial year of enrollment in
14 accordance with the schedule determined by the State Regents.
15 Students shall complete the Free Application for Federal Student Aid
16 (FAFSA) each academic year in which they seek to receive the
17 scholarship;

18 3. To continue to receive a scholarship at an eligible two-year
19 or four-year postsecondary institution, a student shall maintain a
20 minimum cumulative grade point average of 2.0 as set forth in the
21 rules promulgated by the State Regents or maintain satisfactory
22 academic progress as determined by the institution;

23 4. Scholarship recipients shall participate in mentoring and
24 community service programs under the rules promulgated by the State

1 Regents. The State Regents shall develop the selection and renewal
2 criteria for students and shall have the authority to work with
3 outside organizations to develop the most effective means for
4 delivering the scholarships. In selecting outside organizations for
5 participation in the scholarship program, the State Regents shall
6 give preference to locally established entities that meet designated
7 standards specified in the rules for the program;

8 5. A scholarship for students attending a two-year
9 postsecondary institution which is a member of The Oklahoma State
10 System of Higher Education or a technology center school shall be
11 one hundred percent (100%) of the cost of tuition and mandatory fees
12 of the student at the eligible two-year postsecondary institution or
13 technology center school reduced by Fifty Dollars (\$50.00) to be
14 paid by the student and reduced by all other gap support. Gap
15 support shall be credited first to the tuition and mandatory fees of
16 the student;

17 6. Notwithstanding paragraph 5 of this subsection, the amount
18 of the scholarship for students attending an eligible four-year
19 postsecondary institution which is a member of The Oklahoma State
20 System of Higher Education or an eligible private institution shall
21 be one hundred percent (100%) of the average cost of tuition and
22 mandatory fees at all two-year postsecondary institutions which are
23 members of The Oklahoma State System of Higher Education reduced by
24 Fifty Dollars (\$50.00) to be paid by the student and reduced by all

1 other gap support. Gap support shall be credited first to the
2 average tuition and mandatory fees;

3 7. A scholarship student who has an approved medical or
4 personal leave of absence from an eligible postsecondary institution
5 may continue to receive the scholarship upon resuming the student's
6 education at an eligible postsecondary institution so long as the
7 student continues to meet all applicable eligibility requirements.
8 The sum of all approved leaves of absence shall not exceed six (6)
9 months;

10 8. A student shall be eligible for the scholarship until the
11 occurrence of the first of the following events:

- 12 a. the student has earned a diploma or associate's
13 degree, or
- 14 b. the sum of the number of years the student attended a
15 postsecondary institution, exclusive of approved
16 leaves of absence, equals two and one-half (2 1/2)
17 years from the date of initial enrollment by the
18 student at an eligible postsecondary institution; and

19 9. Except for a medical or personal leave of absence, as
20 approved by an eligible postsecondary institution, a scholarship
21 student shall maintain continuous enrollment at an eligible
22 postsecondary institution.

1 C. Subject to the availability of funds, scholarships shall be
2 awarded by allocation from the Oklahoma Community College
3 Scholarship Trust Fund created in Section 3 of this act.

4 D. Scholarships awarded under the Oklahoma Community College
5 Scholarship Program shall be awarded to all eligible applicants
6 without any limitation on the number of awards in any year other
7 than the amount of funds available for the program and the number of
8 eligible applicants. Subject to the provisions of subsection E of
9 this section, if funds are not sufficient to provide awards for all
10 eligible applicants, the Oklahoma State Regents for Higher Education
11 shall make awards on the basis of need. Provided, the Oklahoma
12 State Regents for Higher Education shall take into consideration the
13 amount of gap support received by an eligible applicant when making
14 awards.

15 E. The Oklahoma State Regents for Higher Education may, at the
16 time an Oklahoma Community College Scholarship is awarded to a
17 student, set aside funds in the Oklahoma Community College
18 Scholarship Trust Fund for the full commitment made to the student.
19 For all academic years, students who have previously received a
20 scholarship under the provisions of the Oklahoma Community College
21 Scholarship Act and who have continued at all times to fulfill the
22 requirements for eligibility to receive the scholarship shall be
23 given an absolute priority for continued financial support by the
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1 Oklahoma Community College Scholarship Program superior to any
2 students who are applying for a scholarship for the first time.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2643 of Title 70, unless there
5 is created a duplication in numbering, reads as follows:

6 A. There is hereby created a trust fund to be known as the
7 "Oklahoma Community College Scholarship Trust Fund". The Oklahoma
8 State Regents for Higher Education shall be the trustees of the
9 trust fund.

10 B. The State Regents shall utilize the trust fund to implement
11 the provisions of Section 2 of this act.

12 C. The trust fund principal shall consist of monies the
13 Legislature appropriates and other monies the Legislature transfers
14 to the Oklahoma State Regents for Higher Education for the trust
15 fund and any monies or assets contributed to the trust fund from any
16 other source, public or private. All monies accruing to the credit
17 of the trust fund are hereby appropriated and may be budgeted and
18 expended by the State Regents. Expenditures from the trust fund
19 shall be made upon warrants issued by the State Treasurer against
20 claims filed as prescribed by law with the Director of the Office of
21 Management and Enterprise Services for approval and payment.

22 D. Notwithstanding other provisions of law, income and
23 investment return on trust fund principal shall accrue to the trust
24 fund for use as provided by authorization of the trustees for the

1 purposes provided in Section 2 of this act. The State Regents may
2 also utilize the trust fund principal for the purposes provided in
3 Section 2 of this act. Except as otherwise provided by law, no such
4 income or investment return or principal shall be used for
5 administrative expenses. Expenses incurred by the State Regents in
6 the administration of the trust fund and of the Oklahoma Community
7 College Scholarship Program established by the Oklahoma Community
8 College Scholarship Act shall be paid from monies appropriated to
9 the State Regents coordinating board for their general operating
10 budget.

11 E. The State Regents shall adopt rules for accomplishing
12 transfer of funds from the Oklahoma Community College Scholarship
13 Trust Fund to the appropriate institutional Educational and General
14 Operations Revolving Fund, as provided for in Section 3901 of Title
15 70 of the Oklahoma Statutes, to private institutions and to the
16 appropriate technology center school district to cover general
17 enrollment fees or tuition for eligible students pursuant to the
18 Oklahoma Community College Scholarship Act. Allocations from the
19 trust fund may be made only for the purpose of covering the general
20 enrollment fees or tuition of eligible students. No portion of the
21 trust fund may be used or allocated for administrative or operating
22 expenses of any higher education institution or technology center
23 school.

24 SECTION 4. This act shall become effective July 1, 2016.

1 SECTION 5. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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