

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 378 Session of 2007

INTRODUCED BY TOMLINSON, ERICKSON, BOSCOLA, CORMAN, FONTANA, RAFFERTY, ARMSTRONG, STOUT, GORDNER, KASUNIC, D. WHITE, RHOADES, MUSTO, C. WILLIAMS, WONDERLING, FUMO, FERLO, LOGAN, O'PAKE, GREENLEAF, PIPPY, EARLL, ORIE, COSTA, REGOLA, PUNT, BAKER AND WOZNIAK, MARCH 13, 2007

REFERRED TO EDUCATION, MARCH 13, 2007

AN ACT

1 Amending the act of June 23, 1999 (P.L.159, No.22), entitled "An  
2 act providing for scholarships for persons entering into the  
3 field of science and technology," further providing for  
4 definitions and for scholarships.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Sections 3, 4, 5 and 6 of the act of June 23,  
8 1999 (P.L.159, No.22), known as the New Economy Technology  
9 Scholarship Act, amended June 22, 2000 (P.L.383, No.51), are  
10 amended to read:

11 Section 3. Definitions.

12 The following words and phrases when used in this act shall  
13 have the meanings given to them in this section unless the  
14 context clearly indicates otherwise:

15 "Agency." The Pennsylvania Higher Education Assistance  
16 Agency (PHEAA).

17 "Approved course of study." A program or curriculum offered

1 by a postsecondary educational institution that provides  
2 instruction in science, technology and related fields and has  
3 been approved by the Department of Education in consultation  
4 with the Pennsylvania Workforce Investment Board.

5 "Approved educational institution." A postsecondary  
6 educational institution located in this Commonwealth that is  
7 authorized to provide approved courses of study and grant  
8 degrees and has been approved by the Pennsylvania Higher  
9 Education Assistance Agency as an institution in which students  
10 may enroll to participate in the New Economy Technology  
11 Scholarship Program.

12 "Department." The Department of Education of the  
13 Commonwealth.

14 Domicile. The state where an individual intends to  
15 permanently or indefinitely reside and does actually reside.

16 ["Incumbent worker." A person who has been a resident of  
17 this Commonwealth for one year and who has been employed full  
18 time in this Commonwealth for a period of one year while  
19 pursuing an associate degree or its equivalent.]

20 "Program." The New Economy Technology Scholarship Program  
21 established under section 4.

22 "Student." An individual domiciled in this Commonwealth who  
23 attends [or is about to attend a secondary school or] a  
24 postsecondary educational institution located in this  
25 Commonwealth.

26 "Work requirement." Postgraduate, full-time employment [with  
27 an employer located] in this Commonwealth in an occupation  
28 related to an approved course of study required under section 4.  
29 The term does not include a paid student internship, graduate  
30 assistantship, a paid fellowship, volunteer service or

1 employment before graduation.

2 Section 4. New Economy Technology Scholarship Program.

3 (a) Establishment of program.--There is hereby established  
4 the New Economy Technology Scholarship Program within the  
5 agency, to consist of the SciTech Scholarship and the Technology  
6 Scholarship.

7 (b) Issuance of grants.--The agency may provide scholarship  
8 grants to an eligible student [who is a resident of this  
9 Commonwealth] upon certification from an approved educational  
10 institution that the student is enrolled in an approved course  
11 of study. Scholarship grants shall only be for the amount set  
12 forth in sections 5(a) and 6(a).

13 (c) The department, in cooperation with the Pennsylvania  
14 Workforce Investment Board, shall establish a list of approved  
15 courses of study for the program.

16 (d) Other funding.--Prior to making a grant under this act,  
17 the agency shall first apply Federal Pell Grant and State grants  
18 available to educational costs, as determined by the agency,  
19 related to an undergraduate program prior to determining the  
20 amount of the scholarship grant.

21 (e) Eligibility.--To receive a scholarship grant under this  
22 section, a student must meet all of the following requirements:

23 (1) Graduation from high school or earning a general  
24 educational development (GED) diploma or the equivalent  
25 thereof.

26 (2) Maintenance of domicile in Pennsylvania during the  
27 term of the scholarship grants.

28 (3) Compliance with any conditions placed on the  
29 scholarship grant by the agency or by the department in  
30 consultation with the Pennsylvania Workforce Investment

1 Board.

2 (4) Maintenance of [a] an annual cumulative grade point  
3 average of [3.0] 2.75 or higher, on a scale of 4.0, or its  
4 equivalent as verified by the educational institution, for  
5 continued eligibility.

6 (5) Entering into a written agreement with the agency  
7 to:

8 (i) Satisfy all degree, diploma or certificate  
9 requirements and other requirements under this act.

10 (ii) Commence [employment] the work requirement in  
11 this Commonwealth within one year after completion of an  
12 approved bachelor's or associate's degree or certificate  
13 program for a period of one year for each academic year  
14 the student received a scholarship grant under this act  
15 unless the agency determines that there are extenuating  
16 circumstances.

17 (iii) Reimburse the Commonwealth all amounts  
18 received under this act and interest thereon, as  
19 determined by the agency, if the student fails to comply  
20 with subparagraphs (i) and (ii).

21 (f) Application.--A student shall apply to the agency for a  
22 scholarship grant as prescribed by the agency, to include the  
23 provision of all information and documentation required by the  
24 agency. The application of a student under 18 years of age shall  
25 include the signature of a parent or guardian. The application  
26 shall include a [verified] statement of cumulative grade point  
27 average from the appropriate educational institution as required  
28 in this act.

29 (g) Work requirement.--The work requirement under subsection  
30 (e)(5)(ii) shall begin after the receipt of a bachelor's or an

1 associate's degree or another appropriate certificate from an  
2 approved educational institution.

3 (h) Termination.--If a student terminates enrollment in the  
4 approved educational institution during the academic year or  
5 prior to completion of the approved course of study, the  
6 approved education institution shall notify the agency in  
7 writing and shall return all unused portions of the scholarship  
8 grant. Returned amounts shall be used to fund other scholarship  
9 grants under this act.

10 (i) Transfer.--A scholarship under this act is only  
11 transferrable to another approved educational institution if  
12 approved by the agency.

13 (j) Limitation.--Grants awarded under the program shall be  
14 limited to funds appropriated for that purpose. First priority  
15 for awarding grants shall be given to renewal applicants.  
16 Thereafter, grants shall be awarded on a first-come, first-  
17 served basis.

18 (k) Exception.--The agency shall postpone the work  
19 requirement under subsection (g) for extenuating circumstances  
20 or because of the student's enrollment on a full-time basis in a  
21 graduate degree program or, in the case of a technology  
22 recipient, full-time enrollment in a baccalaureate degree  
23 program within one year of [the receipt of a bachelor's degree  
24 from an approved educational institution.] successful completion  
25 of the program for which NETS funds were awarded. The agency  
26 shall require documentation of the person's continual status as  
27 a full-time student as defined by the agency. The work  
28 requirement under subsection (e)(5)(ii) shall begin within one  
29 year after termination of enrollment on a full-time basis in [a  
30 graduate] such a degree program.

1 Section 5. SciTech Scholarships.

2 (a) Amount of grants.--The agency shall award a SciTech  
3 Scholarship in the amount of [\$3,000] \$4,000 per academic year  
4 or a lesser amount following application of Federal and State  
5 grants under section 4(d) to a student enrolled full time in an  
6 approved educational institution pursuing a bachelor's degree  
7 program or its equivalent in an approved course of study. The  
8 student must take at least 12 semester hours per semester, or  
9 its equivalent, in an approved course of study. The grant shall  
10 be used for educational costs related to the undergraduate  
11 program as determined by the agency.

12 (b) Term of grant.--[A grant shall be awarded beginning no  
13 earlier than the second academic year of enrollment in an  
14 approved educational institution in a bachelor's degree program  
15 or its equivalent in an approved course of study.] The grant  
16 shall be for a maximum of [three] four academic years or for up  
17 to [four] five academic years if the student is enrolled in an  
18 approved course of study that according to the agency requires  
19 five academic years to complete. In order to qualify for  
20 renewals beyond [three] four years, the student must be in  
21 compliance with the requirements of section 4(e) and the agency  
22 must determine that the student is making satisfactory progress  
23 toward completing a degree.

24 (c) Internship or work experience.--A student who accepts a  
25 grant under this section must complete or must have completed a  
26 college-approved or university-approved internship or work  
27 experience related to the student's approved course of study  
28 with an employer located in this Commonwealth prior to receiving  
29 a bachelor's degree or its equivalent. The student must comply  
30 with any conditions placed upon the internship by the agency or

1 by the department in consultation with the Pennsylvania  
2 Workforce Investment Board. Proof of completion of the  
3 internship or work experience requirements must be submitted by  
4 the educational institution to the agency prior to graduation  
5 unless otherwise authorized by the agency.

6 [(d) Grades.--At the time of application, an applicant for a  
7 SciTech Scholarship must have a cumulative grade point average  
8 of 3.0 or higher on a scale of 4.0 or its equivalent. The agency  
9 shall annually verify a program participant's maintenance of the  
10 required grade point average.]

11 Section 6. Technology Scholarship.

12 (a) Amounts of grants.--

13 (1) The agency shall award a Technology Scholarship in  
14 the amount of [\$1,000] \$2,000 per academic year or a lesser  
15 amount following application of Federal or State grants under  
16 section 4(d) to a student enrolled full time in an approved  
17 educational institution pursuing [an associate's degree in]  
18 an approved course of study [or in a private licensed school  
19 that has an academic program approved by the agency.] less  
20 than four years in length. The grant shall be used for  
21 educational costs related to the program as determined by the  
22 agency.

23 (2) A student who is enrolled part time [or is an  
24 incumbent worker pursuing an associate's degree in an  
25 approved educational institution or other specialized program  
26 approved by the agency is eligible for a grant of 20% of  
27 tuition and mandatory fees.] is eligible for a maximum award  
28 equivalent to 50% of a full-time award.

29 (b) Term of grant.--The grant awarded under subsection (a)  
30 shall be for a maximum of two academic years or for up to three

1 academic years if the student is enrolled in an approved course  
2 of study that according to the agency requires three academic  
3 years to complete. In order to qualify for a grant three times,  
4 the student must be in compliance with section [4(d)] 4(e), and  
5 the institution must determine that the student is making  
6 satisfactory progress toward completing an associate's degree or  
7 the requirements of the certificate program.

8 [(c) Exception.--The agency may waive the one-year  
9 employment requirement for an incumbent worker for extenuating  
10 circumstances related to the student's employment within the  
11 last year.]

12 (d) Grades.--The agency shall annually verify a program  
13 participant's maintenance of the required grade point average.

14 Section 2. Section 7 of the act is amended by adding a  
15 subsection to read:

16 Section 7. Eligibility.

17 \* \* \*

18 (d) Default.--The agency may deny a scholarship under this  
19 act to a student who is in default on any educational financial  
20 aid obligation.

21 Section 3. Section 8 of the act, amended June 22, 2000  
22 (P.L.383, No.51), is amended to read:

23 Section 8. Administration.

24 (a) Verification.--The agency shall monitor and verify a  
25 student's fulfillment of all internship and work requirements  
26 under this act.

27 (b) Enforcement.--The agency shall enforce repayment of all  
28 scholarship grants for a student who does not comply with the  
29 provisions of this act, to include use of all lawful collection  
30 procedures and the use of private collection agencies.

1 (c) Tax.--Scholarship grants received by a student from the  
2 program shall not be considered taxable income for purposes of  
3 Article III of the act of March 4, 1971 (P.L.6, No.2), known as  
4 the Tax Reform Code of 1971.

5 (d) Financial assistance.--Scholarship grants received by a  
6 student from the program shall not be considered financial  
7 assistance or appropriations to the approved educational  
8 institution.

9 (e) Customized job training.--No funds under this act shall  
10 be granted to a person enrolled in a customized job training  
11 partnership program or continuing education course from a  
12 postsecondary educational institution for which an employer is  
13 providing over 50% of the financial support, directly or  
14 indirectly.

15 (f) Appeals.--The provisions of this act shall be subject to  
16 22 Pa. Code Ch. 121 (relating to student financial aid)[.] and 1  
17 Pa. Code Pt. II (relating to general rules of administrative  
18 practice and procedure).

19 (g) Regulations.--The agency shall adopt regulations and  
20 procedures necessary to carry out the purposes of this act.

21 Section 4. The amendment of the act relating to the increase  
22 in award amounts shall apply to the 2007-2008 academic year,  
23 which commences with the Fall 2007 period. The remaining  
24 provisions shall apply to the 2008-2009 academic year, which  
25 commences with the Fall 2008 period of enrollment.

26 Section 5. This act shall take effect in 60 days.