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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 800 Session of  
2009

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INTRODUCED BY BOSCOLA, TARTAGLIONE, STOUT, FONTANA, RAFFERTY,  
WASHINGTON, ALLOWAY, HUGHES AND WONDERLING, APRIL 23, 2009

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REFERRED TO EDUCATION, APRIL 23, 2009

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AN ACT

1 Providing for academic excellence scholarships for persons  
2 entering a college or university within this Commonwealth.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Academic  
7 Excellence Scholarship Program Act.

8 Section 2. Purpose.

9 The purpose of this act is to reward educational excellence  
10 and provide an incentive to Pennsylvania students to pursue  
11 higher education.

12 Section 3. Definitions.

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

16 "Agency." The Pennsylvania Higher Education Assistance  
17 Agency.

18 "Approved educational institution." A postsecondary

1 educational institution located in this Commonwealth that is  
2 authorized to provide approved courses of study and grant  
3 degrees, and has been approved by the Pennsylvania Higher  
4 Education Assistance Agency as an institution in which students  
5 may enroll to participate in the Academic Excellence Scholarship  
6 Program.

7 "Grant." The term includes a program grant and a scholarship  
8 grant.

9 "Program." The Academic Excellence Scholarship Program  
10 established under section 4.

11 "Program grant." A grant issued under section 4.

12 "Scholarship grant." A grant issued under section 5.

13 "Student." A school-age resident of this Commonwealth who  
14 attends or is about to attend a secondary school or  
15 postsecondary educational institution located in this  
16 Commonwealth and whose annual family income does not exceed  
17 \$250,000.

18 "Work requirement." Postgraduate, full-time employment with  
19 an employer located in this Commonwealth. The term does not  
20 include a paid student internship, a paid fellowship, volunteer  
21 service or employment before graduation.

22 Section 4. Academic Excellence Scholarship Program.

23 (a) Establishment of program.--The Academic Excellence  
24 Scholarship Program is established within the agency.

25 (b) Issuance of program grants.--

26 (1) The agency may provide program grants which may be  
27 referred to as Academic Excellence Scholarship Program  
28 Grants, to not more than 1,000 students. If more than 1,000  
29 students apply, a lottery system shall be employed. The  
30 program grants may be issued to students only upon

1 confirmation from approved educational institutions to which  
2 the students have enrolled full time immediately following  
3 their high school graduation.

4 (2) The program grants shall be for the amount set forth  
5 in section 5(a) and shall only be used for tuition and  
6 mandatory fees.

7 (3) The program grants shall be awarded solely on the  
8 basis of merit and without regard to need.

9 (c) Eligibility.--To receive a program grant under this  
10 section, a student shall meet all of the following requirements:

11 (1) Maintenance of Pennsylvania residency during the  
12 term of the program grant.

13 (2) Graduation within the top five percent from a high  
14 school in this Commonwealth. The student must have attended a  
15 public or private high school within this Commonwealth during  
16 the junior and senior years.

17 (3) High school grade point average of 95%.

18 (4) Scholastic Achievement Test score of no less than  
19 1400.

20 (5) Maintenance of a grade point average of 3.0 or  
21 higher, on a scale of 4.0, or its equivalent, beginning with  
22 the first semester of the freshman year and through the term  
23 of the program grant.

24 (6) Entrance into a written agreement with the agency  
25 to:

26 (i) Satisfy all degree requirements for graduation  
27 unless the agency determines that there are extenuating  
28 circumstances.

29 (ii) Commence employment in this Commonwealth within  
30 one year after completion of an undergraduate degree for

1 a period of two years.

2 (iii) Reimburse the Commonwealth all amounts  
3 received under this act and interest thereon, as  
4 determined by the agency, if the student fails to comply  
5 with subparagraph (i).

6 (iv) Reimburse the Commonwealth 50% of the amount  
7 received under this act and interest thereon, as  
8 determined by the agency, if the student fails to comply  
9 with subparagraph (ii).

10 (d) Application.--A student must apply to the agency for a  
11 program grant as prescribed by the agency, to include the  
12 provision of all information and documentation required by the  
13 agency. The application of a student under 18 years of age must  
14 include the signature of a parent or guardian. The application  
15 must include a verified statement of grade point average from  
16 the appropriate educational institution.

17 (e) Work requirement.--The work requirement under subsection  
18 (c) (5) (ii) shall begin after the receipt of bachelor's degree  
19 from an approved educational institution.

20 (f) Termination.--If a student who has received a program  
21 grant terminates enrollment in the approved educational  
22 institution during the academic year or prior to completion, the  
23 approved education institution shall notify the agency in  
24 writing and shall return all unused portions of the program  
25 grant. Returned amounts shall be used to fund other program  
26 grants under this act.

27 (g) Transfer.--A program grant may only be transferrable to  
28 another educational institution if approved by the agency.

29 (h) Limitation.--A program grant shall be paid from funds  
30 appropriated for that purpose. First priority for awarding

1 program grants shall be given to renewal applicants. Thereafter,  
2 the program grants shall be awarded on a first-come-first-served  
3 basis.

4 Section 5. Academic Excellence Scholarships.

5 (a) Amount of scholarship grants.--In addition to the  
6 program grants issued under section 4, the agency shall issue  
7 grants under this program, which grants may be referred to as  
8 Academic Excellence Scholarships in the amount of \$5,000 per  
9 academic year, to a student enrolled full time in an approved  
10 educational institution pursuing a bachelor's degree. The  
11 student shall take at least 12 semester hours or their  
12 equivalent.

13 (b) Term of grant.--The scholarship grant shall be for a  
14 maximum of four consecutive academic years.

15 (c) Exception.--If the student fails to meet the GPA  
16 requirements during a semester and is denied scholarship grant  
17 money, the student may reapply the following year for a second  
18 chance program grant and shall continue at the student's expense  
19 for the next year. If the student earns 3.0 at the end of that  
20 year, the student may reapply for the remaining years. If the  
21 student does not obtain a GPA of 3.0 or higher within the year  
22 following dismissal from the program, the student may not  
23 reapply.

24 Section 6. Administration.

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

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

1 the use of private collection agencies.

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

6 (d) Financial assistance.--No grant received by a student  
7 shall be considered financial assistance or appropriations to  
8 the approved education institution.

9 (e) Appeals.--The provisions of this act shall be subject to  
10 2 Pa.C.S. Ch. 5 Subch. A (relating to practice and procedure of  
11 Commonwealth agencies).

12 (f) Regulations.--The agency shall adopt regulations and  
13 procedures necessary to carry out the purposes of this act.

14 Section 7. Effective date.

15 This act shall take effect July 1, 2010.