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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 380 Session of  
2019

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INTRODUCED BY BOSCOLA, COSTA, BROWNE, BREWSTER AND SANTARSIERO,  
MARCH 4, 2019

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REFERRED TO EDUCATION, MARCH 4, 2019

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AN ACT

1 Providing for academic excellence scholarships for individuals  
2 entering a college or university within this Commonwealth;  
3 and conferring powers and imposing duties on the Pennsylvania  
4 Higher Education Assistance Agency.

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

7 Section 1. Short title.

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

10 Section 2. Definitions.

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

14 "Agency." The Pennsylvania Higher Education Assistance  
15 Agency.

16 "Approved educational institution." A postsecondary  
17 educational institution located in this Commonwealth that is  
18 authorized to provide approved courses of study and grant  
19 degrees and has been approved by the Pennsylvania Higher

1 Education Assistance Agency as an institution in which students  
2 may enroll to participate in the Academic Excellence Scholarship  
3 Program.

4 "Program." The Academic Excellence Scholarship Program  
5 established by this act.

6 "Student." An individual domiciled in this Commonwealth who  
7 attends or is about to attend a secondary school or  
8 postsecondary educational institution located in this  
9 Commonwealth and whose annual family income does not exceed  
10 \$250,000.

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

15 Section 3. Academic Excellence Scholarship Program.

16 The Academic Excellence Scholarship Program is established  
17 within the agency to reward academic excellence and provide an  
18 incentive for Pennsylvania students to pursue higher education  
19 and professional opportunities within this Commonwealth.

20 Section 4. Scholarship grants.

21 (a) Issuance.--The agency may provide scholarship grants  
22 annually to eligible students who are residents of this  
23 Commonwealth. A scholarship grant may be issued to a student  
24 only upon confirmation from an approved educational institution  
25 that the student has enrolled full time no later than the fall  
26 semester immediately following high school graduation.

27 (b) Amount.--Scholarship grants shall be for the amount set  
28 forth in section 5(a) and may only be used for tuition and  
29 mandatory fees.

30 (c) Award.--A scholarship program grant shall be awarded

1 solely on the basis of merit.

2 (d) Eligibility.--To receive a scholarship grant under this  
3 act, a student must meet all of the following requirements:

4 (1) Maintenance of Pennsylvania domicile during the term  
5 of the scholarship grant.

6 (2) Graduation within the top 5% of students from a high  
7 school in this Commonwealth. The student must have attended a  
8 public or private high school within this Commonwealth during  
9 the junior and senior years.

10 (3) High school cumulative grade point average of 3.0 or  
11 higher, on a scale of 4.0, or its equivalent.

12 (4) A score of no less than 1400 on the SAT or an ACT  
13 score of no less than 32.

14 (5) Maintenance of a grade point average of 3.0 or  
15 higher, on a scale of 4.0, or its equivalent.

16 (6) Entrance into a written agreement with the agency  
17 to:

18 (i) Satisfy all degree requirements for graduation.

19 (ii) Commence employment in this Commonwealth within  
20 one year after completion of an undergraduate degree for  
21 a period of one year for each academic year the student  
22 received a scholarship grant under this act unless the  
23 agency determines that there are extenuating  
24 circumstances.

25 (iii) Reimburse the Commonwealth all amounts  
26 received under this act and interest thereon, as  
27 determined by the agency, if the student fails to comply  
28 with subparagraph (i) or (ii).

29 (e) Application.--A student shall apply to the agency for a  
30 scholarship grant as prescribed by the agency and provide all

1 information and documentation required by the agency. The  
2 application of a student under 18 years of age shall include the  
3 signature of a parent or guardian. The application shall include  
4 a verified statement of grade point average from the appropriate  
5 educational institution.

6 (f) Work requirement.--The work requirement under subsection  
7 (d) (6) (ii) shall begin after receipt of a bachelor's degree from  
8 an approved educational institution.

9 (g) Termination.--If a student who has received a  
10 scholarship grant terminates enrollment in the approved  
11 educational institution during the academic year or prior to  
12 completion, the approved educational institution shall notify  
13 the agency in writing and shall return all unused portions of  
14 the scholarship grant. Returned amounts shall be used to fund  
15 other scholarship grants under this act.

16 (h) Transfer.--A scholarship grant may only be transferrable  
17 to another approved educational institution if approved by the  
18 agency.

19 (i) Limitation.--A scholarship grant shall be paid from  
20 funds appropriated for that purpose. First priority for awarding  
21 scholarship grants shall be given to renewal applicants.  
22 Thereafter, the scholarship grants shall be awarded on a first-  
23 come, first-served basis.

24 (j) Exception.--The agency shall postpone the work  
25 requirement under subsection (f) for extenuating circumstances  
26 or because of the student's enrollment on a full-time basis in a  
27 graduate degree program within one year of the receipt of a  
28 bachelor's degree from an approved educational institution. The  
29 agency shall require documentation of the person's continual  
30 status as a full-time student as defined by the agency. The work

1 requirement under subsection (d)(6)(ii) shall begin within one  
2 year after termination of enrollment on a full-time basis in a  
3 graduate degree program.

4 Section 5. Academic excellence scholarships.

5 (a) Amount of scholarship grants.--The agency shall issue  
6 scholarship grants under the program, which grants may be  
7 referred to as academic excellence scholarships, in the amount  
8 of \$5,000 per academic year to a student enrolled full time in  
9 an approved educational institution pursuing a bachelor's  
10 degree. The student must be enrolled for a minimum of 12  
11 semester hours each semester or its equivalent.

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

14 (c) Exception.--If the student fails to meet the cumulative  
15 grade point average requirements during a semester and is denied  
16 a scholarship grant, the student may reapply the following year  
17 for a scholarship grant but must continue at the student's  
18 expense for the next year. If the student earns a cumulative  
19 grade point average of 3.0 or higher at the end of that year,  
20 the student may reapply for the remaining years. If the student  
21 does not obtain a cumulative grade point average of 3.0 or  
22 higher within the year following dismissal from the program, the  
23 student may not 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 scholarship grants for a student who does not comply with the  
30 provisions of this act, including use of all lawful collection

1 procedures and the use of private collection agencies.

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

6 (d) Financial assistance.--A scholarship grant received by a  
7 student shall be considered financial assistance or an  
8 appropriation to the approved educational 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. Annual report.

15 (a) Development of report.--The agency shall publish a  
16 report each year containing information regarding the operation  
17 of the scholarship program. The initial report shall be  
18 submitted by September 1 in the year following the first full  
19 academic year in which scholarship grants have been awarded and  
20 by September 1 of each year thereafter. The report shall  
21 include:

22 (1) Total number of students receiving scholarship  
23 grants, with a breakdown of whether the scholarship is an  
24 initial scholarship grant or a renewal of a scholarship  
25 grant.

26 (2) Total number of students who withdraw from the  
27 program or work requirements.

28 (b) Submission.--The annual report shall be submitted to the  
29 Governor and the chairperson and minority chairperson of the  
30 Appropriations Committee of the Senate, the chairperson and

1 minority chairperson of the Appropriations Committee of the  
2 House of Representatives, the chairperson and minority  
3 chairperson of the Education Committee of the Senate and the  
4 chairperson and minority chairperson of the Education Committee  
5 of the House of Representatives.

6 Section 8. Effective date.

7 This act shall take effect July 1, 2019, or immediately,  
8 whichever is later.