
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1230 Session of
2022

INTRODUCED BY FONTANA, KEARNEY, KANE, STREET, CAPPELLETTI,
SCHWANK, MUTH AND BREWSTER, MAY 23, 2022

REFERRED TO EDUCATION, MAY 23, 2022

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," establishing the Nellie Bly
6 Scholarship Program and the Nellie Bly Scholarship Program
7 Restricted Account.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
11 as the Public School Code of 1949, is amended by adding an
12 article to read:

13 ARTICLE XX-L

14 NELLIE BLY SCHOLARSHIP PROGRAM

15 Section 2001-L. Definitions.

16 The following words and phrases when used in this article
17 shall have the meanings given to them in this section unless the
18 context clearly indicates otherwise:

19 "Academic year." One complete school year, usually nine
20 months in length, commencing on or after August 1 of the

1 calendar year.

2 "College completion award." Funding provided by the
3 department to a community college participating in the program
4 for wraparound services to scholarship recipients, including the
5 hiring of college navigators, mental health supports, tutoring
6 and other services deemed necessary by the community college to
7 support scholarship recipients' completion of their course of
8 study.

9 "Community college." A public college or technical institute
10 established and operated in accordance with the provisions of
11 this act by a local sponsor that provides:

12 (1) a two-year, postsecondary, college-parallel,
13 terminal-general, terminal-technical, out-of-school youth or
14 adult education program or any combination of these programs;
15 or

16 (2) area career and technical education services and
17 credit, nonremedial college courses to secondary senior high
18 school students.

19 "Cost of attendance." The direct and indirect costs relating
20 to attendance at an institution, including tuition and fees,
21 cost of room and board or living expenses, cost of books,
22 supplies, transportation, loan fees and miscellaneous expenses,
23 including a reasonable amount for the documented cost of a
24 personal computer, allowance for child care or other dependent
25 care, costs related to a disability and reasonable costs for
26 eligible study-abroad programs.

27 "Department." The Department of Education of the
28 Commonwealth.

29 "Eligible student." An individual who meets the eligibility
30 criteria stated in section 2006-L.

1 "FAFSA." The Free Application for Federal Student Aid.
2 "Financial aid." Funding to help pay for postsecondary
3 education, including grants, work study, loans and scholarships.
4 "Full-time enrollment." Enrollment of twelve or more
5 undergraduate credits in an academic semester or the equivalent.
6 "Funding award." An award of program funds from the Nellie
7 Bly Scholarship Program Restricted Account made by the
8 department to PHEAA to fund scholarship awards.
9 "Institutional aid." Financial aid offered to an eligible
10 student directly by an institution which shall include merit
11 aid, gift aid and athletic awards.
12 "Participating institution." A community college established
13 under Article XIX-A or a State-owned university in the
14 Pennsylvania State System of Higher Education.
15 "Pell Grant." The Federal Pell Grant or any successor
16 program to it.
17 "PHEAA." The Pennsylvania Higher Education Assistance
18 Agency.
19 "Private scholarship." Financial aid awards funded by
20 entities other than the Federal or State government, including
21 awards by companies, service groups, foundations, organizations
22 and individuals.
23 "Program." The Nellie Bly Scholarship Program established
24 under section 2002-L.
25 "Program administration agreement." An agreement by and
26 between the department and PHEAA that specifies the duties and
27 responsibilities of PHEAA as administrator of the program and
28 such other terms and conditions deemed necessary by the
29 department for the administration of the program.
30 "Program participation agreement." An agreement by and

1 between the department and an institution that specifies the
2 duties of the institution as a participant in the program and
3 such other terms and conditions deemed necessary by the
4 department for program participation.

5 "Promissory note." A legal agreement between a scholarship
6 recipient and the department detailing the recipient's rights
7 and responsibilities and terms and conditions for repayment.

8 "Restricted account." The Nellie Bly Scholarship Program
9 Restricted Account established under section 2002-L.

10 "Scholarship agreement." The written agreement between the
11 department and a scholarship recipient under which a scholarship
12 award is made.

13 "Scholarship award." An award of program money made by the
14 department to an eligible student toward the cost of attendance.

15 "Scholarship recipient." An eligible student who is awarded
16 a scholarship award.

17 Section 2002-L. Nellie Bly Scholarship Program.

18 (a) Establishment.--The Nellie Bly Scholarship Program is
19 established in the department.

20 (b) Nellie Bly Scholarship Program Restricted Account.--

21 (1) The Nellie Bly Scholarship Program Restricted
22 Account is established in the State Treasury. The money in
23 the restricted account is appropriated on a continuing basis
24 to the department for the purposes specified in this article.

25 (2) The restricted account shall consist of money
26 transferred, appropriated or otherwise made available to the
27 restricted account.

28 (3) Money in the restricted account shall be allocated
29 as follows:

30 (i) The department may use up to 4% of the money in

1 the restricted account to administer the program, in
2 cooperation with PHEAA, and to administer the college
3 completion awards.

4 (ii) The department may use up to 3% of the money in
5 the restricted account for college completion awards.

6 (iii) The remaining money in the restricted account
7 shall be allocated as a funding award to PHEAA to make
8 scholarship awards to eligible students.

9 (c) Condition on use of restricted account.--The allocations
10 specified in subsection (b) shall be expended only to the extent
11 money is available in the restricted account.

12 Section 2003-L. Powers and duties of department.

13 (a) Program administration.--

14 (1) The department shall enter into a program
15 administration agreement with PHEAA.

16 (2) The department shall develop the form of scholarship
17 agreement and promissory note to be used when awarding a
18 scholarship award.

19 (b) Audits, reviews and data collection.--The department may
20 conduct such audits, reviews and data collection of the
21 scholarship awards of PHEAA and the participating institutions
22 as the department determines to be necessary or appropriate.

23 (c) Regulations.--The department shall promulgate
24 regulations as necessary to implement, administer and enforce
25 this article.

26 (d) Temporary regulations.--

27 (1) In order to facilitate the prompt implementation of
28 this article, the department shall promulgate temporary
29 regulations that shall expire not later than three years
30 following the effective date of this section. The temporary

1 regulations shall not be subject to:

2 (i) Sections 201, 202, 203, 204 and 205 of the act
3 of July 31, 1968 (P.L.769, No.240), referred to as the
4 Commonwealth Documents Law.

5 (ii) Section 204(b) of the act of October 15, 1980
6 (P.L.950, No.164), known as the Commonwealth Attorneys
7 Act.

8 (iii) The act of June 25, 1982 (P.L.633, No.181),
9 known as the Regulatory Review Act.

10 (2) The department shall transmit the temporary
11 regulations under paragraph (1) to the Legislative Reference
12 Bureau for publication in the Pennsylvania Bulletin.

13 (e) Guidelines.--The department shall develop written
14 guidelines, in consultation with the participating institutions
15 and PHEAA, for the implementation of this article.

16 (f) Annual report to General Assembly.--The department shall
17 prepare and submit a report to the Governor and the General
18 Assembly no later than September 30 of each year the funding is
19 provided under the program. The report shall include the number
20 of scholarship recipients, programs of study pursued and
21 graduation rates and award type, disaggregated by institution
22 and student group, and activities and outcomes conducted in
23 accordance with the college completion grants.

24 Section 2004-L. Powers and duties of PHEAA.

25 (a) Administration of program.--PHEAA shall administer the
26 program in accordance with the program administration agreement.

27 (b) Specific powers and duties.--The powers and duties of
28 PHEAA under the program include the following:

29 (1) To enter into a program administration agreement
30 with the department.

1 (2) To prepare reports and compile program data as
2 requested by the department in a form and manner as
3 prescribed by the department.

4 (3) To perform other duties and responsibilities needed
5 for the administration of the program as determined by the
6 department.

7 Section 2005-L. Duties of participating institutions.

8 (a) Agreement with department.--An institution shall enter
9 into a program participation agreement with the department.

10 (b) Specific powers and duties.--The powers and duties of a
11 participating institution under the program shall include the
12 following:

13 (1) To prepare reports and compile program data as
14 requested by the department in a form and manner as
15 prescribed by the department. The Pennsylvania State System
16 of Higher Education may prepare the reports and compile the
17 data on behalf of its institutions.

18 (2) To perform other program participation duties and
19 responsibilities as determined by the department.

20 Section 2006-L. Eligible scholarship recipients.

21 (a) Initial eligibility requirements.--To receive an initial
22 scholarship award, an individual must meet all of the following
23 eligibility requirements:

24 (1) Graduate from high school or earn a high school
25 equivalency credential or the equivalent.

26 (2) Receive acceptance and matriculate as a degree-
27 seeking student at a participating institution.

28 (3) Be working toward a first undergraduate associate's
29 degree or a first baccalaureate degree.

30 (4) Maintain full-time enrollment per semester in an

1 undergraduate degree program at a participating institution.

2 (5) Complete the FAFSA or alternative financial aid form
3 approved by the department.

4 (6) Have a household income equal to or less than 400%
5 of the Federal poverty level for a family of four as stated
6 in the poverty guidelines issued annually by the United
7 States Department of Health and Human Services each year.

8 (7) Maintain standards of academic progress as
9 determined by regulations of the department.

10 (b) Renewal eligibility requirements.--To receive a renewal
11 of an initial scholarship award, an individual shall meet all
12 the following requirements:

13 (1) Complete the FAFSA or alternative financial aid form
14 approved by the department annually.

15 (2) Have a household income equal to or less than 400%
16 of the Federal poverty level for a family of four as
17 specified in the poverty guidelines issued annually by the
18 United States Department of Health and Human Services.

19 (3) Maintain full-time enrollment per semester in an
20 undergraduate associate's degree or baccalaureate degree
21 program at a participating institution.

22 (4) Maintain standards of academic progress as
23 determined by the department in regulations.

24 (5) Create an account on the CareerLink system prior to
25 graduation to connect with employment opportunities in
26 Pennsylvania.

27 (c) Documentation required.--An eligible student must enter
28 into a scholarship agreement and promissory note with the
29 department for each year the student receives a scholarship
30 award. Each year the eligible student receives a scholarship

1 award, the eligible student must reaffirm the intention to
2 reside in this Commonwealth upon graduation.

3 (d) Priority.--Eligible students pursuing programs of study
4 in health care, education and public service shall be given
5 priority when initial and renewal scholarship awards are made.

6 (e) Default.--A scholarship recipient shall repay the full
7 amount of the scholarship award received without interest if the
8 recipient fails to reside in this Commonwealth for a period of
9 4.5 months for each semester, or the equivalent the scholarship
10 recipient received a scholarship award. This requirement shall
11 commence upon completion of an undergraduate degree program or
12 upon termination of enrollment at a participating institution,
13 whichever occurs first. If a scholarship recipient transfers
14 from one participating institution to another participating
15 institution, the transfer shall not be considered as a
16 termination of enrollment.

17 (f) Deferral of residency requirement.--Notwithstanding
18 subsection (e), the department may defer the Commonwealth
19 residency requirement for an eligible student under the
20 following circumstances:

21 (1) Full-time enrollment in a baccalaureate degree
22 program or a graduate degree program within six months of
23 receipt of an undergraduate degree from a participating
24 institution. The recipient shall provide PHEAA with
25 documentation of the student's continual status as a graduate
26 student on a half-time basis.

27 (2) Other extenuating circumstances as determined by the
28 Secretary of Education.

29 (g) Notice of change to department.--A scholarship recipient
30 shall inform the department of a change in the recipient's

1 permanent address within 30 days of the effective date of the
2 change.

3 (h) Forgiveness of repayment.--Repayment shall not be
4 required under the following circumstances:

5 (1) The scholarship recipient enlists in the Armed
6 Forces or National Guard.

7 (2) The scholarship recipient is deceased or is
8 permanently and totally disabled.

9 (3) Other extenuating circumstances as determined by the
10 Secretary of Education.

11 Section 2007-L. Refund of scholarship award by institution.

12 A scholarship award to an eligible student who disenrolls
13 during the participating institution's full refund drop period
14 shall be refunded by the institution to PHEAA no later than the
15 beginning of the academic year following the academic year in
16 which the eligible student was enrolled.

17 Section 2008-L. Need-based eligibility tiers for scholarship
18 awards.

19 (a) Order of financial aid.--A participating institution
20 shall apply the financial aid received by an eligible student in
21 the following order:

22 (1) Pell Grant.

23 (2) Pennsylvania State Grant.

24 (3) Institutional aid.

25 (4) Private scholarship.

26 (5) Scholarship award under this article.

27 (6) Federal work study.

28 (7) Federal student loans.

29 (b) Amount of scholarship award.--The amount of a
30 scholarship award shall be determined annually by the department

1 based upon availability of program money. An eligible student
2 attending:

3 (1) a community college may receive up to \$2,000 per
4 year; and

5 (2) a State-owned university may receive up to \$4,000
6 per year.

7 (c) Application of scholarship award.--After application of
8 the financial aid specified in subsection (a) (1), (2), (3) and
9 (4), the scholarship award shall first be applied against direct
10 charges at the participating institution which include tuition,
11 fees, room and board owed by an eligible student to the
12 institution. Any remaining scholarship award may be used by the
13 scholarship recipient for other costs of attendance.

14 (d) Limitation.--A scholarship award may not exceed the cost
15 of attendance after all other financial aid has been applied to
16 a student's account.

17 Section 2009-L. College completion award.

18 The department shall establish and administer a competitive
19 completion award program for community colleges to provide
20 scholarship recipients with wraparound services to support
21 degree completion. Community colleges shall submit proposals in
22 the manner and format prescribed by the department. The
23 department may expand the entities eligible for college
24 completion awards by promulgating regulations.

25 Section 2010-L. Disqualification from program participation.

26 An individual who knowingly or intentionally procures,
27 obtains or aids another to procure or obtain a scholarship award
28 under this article through fraudulent means shall be
29 disqualified from participation in the program and shall be
30 liable to the department for an amount equal to three times the

1 amount awarded.

2 Section 2011-L. Taxability.

3 A scholarship award received by an eligible student shall not
4 be considered taxable income for purposes of Article III of the
5 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code
6 of 1971.

7 Section 2. This act shall take effect immediately.