
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2497 Session of
2022

INTRODUCED BY HARRIS, McNEILL, HOHENSTEIN, HILL-EVANS, KINSEY,
GUENST, BRIGGS, FREEMAN, ZABEL, MADDEN, BURGOS, T. DAVIS,
SCHLOSSBERG, BROOKS, HOWARD, WARREN, McCLINTON, INNAMORATO,
SOLOMON, D. WILLIAMS, PARKER, KRAJEWSKI, O'MARA, GUZMAN,
RABB, CIRESI, KINKEAD, KENYATTA, FITZGERALD, CEPHAS,
DRISCOLL, HANBIDGE, FRANKEL, PISCIOTTANO AND KIRKLAND,
APRIL 7, 2022

REFERRED TO COMMITTEE ON EDUCATION, APRIL 7, 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:

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

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

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

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

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

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

29 "Department." The Department of Education of the
30 Commonwealth.

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

3 "FAFSA." The Free Application for Federal Student Aid.

4 "Financial aid." Funding to help pay for postsecondary
5 education, including grants, work study, loans and scholarships.

6 "Full-time enrollment." Enrollment of twelve or more
7 undergraduate credits in an academic semester or the equivalent.

8 "Funding award." An award of program funds from the Nellie
9 Bly Scholarship Program Restricted Account made by the
10 department to PHEAA to fund scholarship awards.

11 "Institutional aid." Financial aid offered to an eligible
12 student directly by an institution which shall include merit
13 aid, gift aid and athletic awards.

14 "Participating institution." A community college established
15 under Article XIX-A or a State-owned university in the
16 Pennsylvania State System of Higher Education.

17 "Pell Grant." The Federal Pell Grant or any successor
18 program to it.

19 "PHEAA." The Pennsylvania Higher Education Assistance
20 Agency.

21 "Private scholarship." Financial aid awards funded by
22 entities other than the Federal or State government, including
23 awards by companies, service groups, foundations, organizations
24 and individuals.

25 "Program." The Nellie Bly Scholarship Program established
26 under section 2002-L.

27 "Program administration agreement." An agreement by and
28 between the department and PHEAA that specifies the duties and
29 responsibilities of PHEAA as administrator of the program and
30 such other terms and conditions deemed necessary by the

1 department for the administration of the program.

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

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

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

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

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

17 "Scholarship recipient." An eligible student who is awarded
18 a scholarship award.

19 Section 2002-L. Nellie Bly Scholarship Program.

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

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

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

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

30 (3) Money in the restricted account shall be allocated

1 as follows:

2 (i) The department may use up to 4% of the money in
3 the restricted account to administer the program, in
4 cooperation with PHEAA, and to administer the college
5 completion awards.

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

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

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

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

15 (a) Program administration.--

16 (1) The department shall enter into a program
17 administration agreement with PHEAA.

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

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

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

28 (d) Temporary regulations.--

29 (1) In order to facilitate the prompt implementation of
30 this article, the department shall promulgate temporary

1 regulations that shall expire not later than three years
2 following the effective date of this section. The temporary
3 regulations shall not be subject to:

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

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

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

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

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

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

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

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

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

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

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

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

9 Section 2005-L. Duties of participating institutions.

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

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

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

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

22 Section 2006-L. Eligible scholarship recipients.

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

26 (1) Graduate from high school or earn a high school
27 equivalency credential or the equivalent.

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

30 (3) Be working toward a first undergraduate associate's

1 degree or a first baccalaureate degree.

2 (4) Maintain full-time enrollment per semester in an
3 undergraduate degree program at a participating institution.

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

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

10 (7) Maintain standards of academic progress as
11 determined by regulations of the department.

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

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

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

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

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

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

29 (c) Documentation required.--An eligible student must enter
30 into a scholarship agreement and promissory note with the

1 department for each year the student receives a scholarship
2 award. Each year the eligible student receives a scholarship
3 award, the eligible student must reaffirm the intention to
4 reside in this Commonwealth upon graduation.

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

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

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

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

29 (2) Other extenuating circumstances as determined by the
30 Secretary of Education.

1 (g) Notice of change to department.--A scholarship recipient
2 shall inform the department of a change in the recipient's
3 permanent address within 30 days of the effective date of the
4 change.

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

7 (1) The scholarship recipient enlists in the Armed
8 Forces or National Guard.

9 (2) The scholarship recipient is deceased or is
10 permanently and totally disabled.

11 (3) Other extenuating circumstances as determined by the
12 Secretary of Education.

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

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

19 Section 2008-L. Need-based eligibility tiers for scholarship
20 awards.

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

24 (1) Pell Grant.

25 (2) Pennsylvania State Grant.

26 (3) Institutional aid.

27 (4) Private scholarship.

28 (5) Scholarship award under this article.

29 (6) Federal work study.

30 (7) Federal student loans.

1 (b) Amount of scholarship award.--The amount of a
2 scholarship award shall be determined annually by the department
3 based upon availability of program money. An eligible student
4 attending:

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

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

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

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

19 Section 2009-L. College completion award.

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

27 Section 2010-L. Disqualification from program participation.

28 An individual who knowingly or intentionally procures,
29 obtains or aids another to procure or obtain a scholarship award
30 under this article through fraudulent means shall be

1 disqualified from participation in the program and shall be
2 liable to the department for an amount equal to three times the
3 amount awarded.

4 Section 2011-L. Taxability.

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

9 Section 2. This act shall take effect immediately.