

AN ACT

ENTITLED, An Act to create the South Dakota need-based grant fund, to provide for the awarding of certain need-based grants, and to repeal provisions relating to tuition equalization grants.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. There is hereby created in the state treasury the South Dakota need-based grant fund in the Board of Regents for the purpose of providing grants pursuant to chapter 13-55A to qualified students. All moneys in the South Dakota need-based grant fund are subject to appropriation by the Legislature through the General Appropriations Act or special appropriations acts for the need-based grant programs. Any interest earned shall be credited to the fund. The board may accept any gifts, contributions, or funds obtained from any other source for the purpose of carrying out the provisions of this section.

Section 2. That § 13-55A-2 be amended to read as follows:

13-55A-2. Terms used in this chapter, unless the context otherwise requires, mean:

- (1) "Eligible institution," an institution of education beyond the high school level, located in South Dakota, which may include all public and private nonprofit and proprietary institutions, including four-year colleges and universities, community and junior colleges, area technical or vocational schools, trade schools, technical institutes, schools of nursing or of the health professions or any institution which is determined by the executive director to be regularly accredited to offer postsecondary educational services by a recognized and appropriate accrediting agency, as determined by the executive director, and which has an agreement with the United States secretary of education for the conduct of any of the programs currently participating in any federal financial assistance program authorized by Title IV of The Higher Education Act of 1965, as amended to January 1, 2010;

- (2) "Financial need," the amount of assistance, as determined by a federal department of education by calculating a student's estimated cost of attendance (minus family contribution and additional aid granted) at an eligible institution;
- (3) "Qualified student," a resident student who is enrolled in an eligible institution in a course of study on at least a half-time basis, as certified by the institution, and who has established financial need and who is maintaining satisfactory progress toward graduation;
- (4) "Resident student," an individual who has been determined by the executive director to be a resident of South Dakota and who is enrolled at an eligible institution;
- (5) "Executive director," the executive director of the Board of Regents;
- (6) "Leveraging Educational Assistance Partnership grant or Special Leveraging Educational Assistance Partnerships grant," an award by the State of South Dakota to a qualified student under this chapter.

Section 3. That § 13-55A-3 be amended to read as follows:

13-55A-3. A leveraging educational assistance partnership grant or special leveraging educational assistance partnership grant may be awarded to any qualified resident student who is admitted and is in attendance at any eligible institution on at least a half-time basis, has established financial need and has received qualifying matching aid.

Section 4. That § 13-55A-4 be amended to read as follows:

13-55A-4. A participating eligible institution shall calculate the amount of a leveraging educational assistance partnership grant or special leveraging educational assistance partnership grant to a qualified student for the normal academic year, or its equivalent, from a range of not less than one hundred dollars nor more than one thousand dollars, and shall make a recommendation to the executive director for his approval, disapproval or modification. The institution making the

recommendation for each leveraging educational assistance partnership grant or special leveraging educational assistance partnership grant shall consider any other financial assistance available to the qualified student in relation to the financial assistance available to other qualified students attending that institution and may not exceed the lesser of the unmet need of the qualified student or the amount of qualifying matching aid.

Section 5. That § 13-55A-5 be amended to read as follows:

13-55A-5. Each applicant, in accordance with the rules and regulations of the executive director, shall:

- (1) Be responsible for providing the information required to make a financial need determination; and
- (2) Report promptly to the executive director any information requested which is necessary to make a proper determination with respect to the student's need determination.

Section 6. That § 13-55A-10 be amended to read as follows:

13-55A-10. If a recipient of a leveraging educational assistance partnership grant or special leveraging educational assistance partnership grant discontinues attendance before the end of any semester, summer school sessions, or their equivalents, the entire amount of any refund due that student from the eligible institution on a prorata basis, up to the amount of any payment made under the leveraging educational assistance partnership grants or special leveraging educational assistance partnership grant, shall be paid by the eligible institution to the state.

Section 7. That § 13-55A-11 be amended to read as follows:

13-55A-11. The executive director shall administer this program and shall:

- (1) Adopt rules and regulations, pursuant to chapter 1-26, to define tuition and mandatory fees, to define residents for the purposes of this chapter, and to determine the amount of grant funds available to students at each eligible institution. The executive director may

provide for proration of funds if the available funds are insufficient to pay all approved grants;

- (2) Approve and award leveraging educational assistance partnership grants or special leveraging educational assistance partnership grants; and
- (3) Establish and maintain records required by good accounting practices.

Section 8. That § 13-55A-12 be amended to read as follows:

13-55A-12. The executive director is further authorized to accept gifts, grants, and contributions, public or private, that will facilitate the education of South Dakota students pursuant to this chapter.

Section 9. That § 13-55A-12.1 be amended to read as follows:

13-55A-12.1. The executive director is hereby authorized to accept and expend any funds received from federal or private sources as provided for in this chapter, provided such acceptance and expenditure is approved in accordance with 4-8B-10. Expenditures authorized under this section shall be paid out on warrants drawn by the state auditor on vouchers approved by the executive director, or his designee.

Section 10. That § 13-55B-1 be repealed.

Section 11. That § 13-55B-2 be repealed.

Section 12. That § 13-55B-3 be repealed.

Section 13. That § 13-55B-4 be repealed.

Section 14. That § 13-55B-5 be repealed.

Section 15. That § 13-55B-6 be repealed.

Section 16. That § 13-55B-7 be repealed.

Section 17. That § 13-55B-8 be repealed.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1240

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1240
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State