



State of Tennessee

PUBLIC CHAPTER NO. 794

SENATE BILL NO. 2097

By Gresham, Bell, Pody

Substituted for: House Bill No. 2157

By Hicks, Ragan, Bricken, Freeman, Powell, White

AN ACT to amend Tennessee Code Annotated, Title 12, Chapter 3; Title 49, Chapter 1 and Title 49, Chapter 4, relative to higher education.

WHEREAS, Tennessee has become a national model for state investment in students pursuing postsecondary attainment through the HOPE Lottery Scholarships, the Tennessee Promise and Tennessee Reconnect programs; and

WHEREAS, the purpose of these student-focused initiatives is to create a highly skilled, credentialed workforce to ensure Tennessee's future economic prosperity and competitiveness; and

WHEREAS, the General Assembly supports making postsecondary enrollment and financial aid availability as transparent and attainable as possible for Tennessee students; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Financial Aid Simplification for Tennesseans (FAST) Act".

SECTION 2. Tennessee Code Annotated, Section 12-3-102(a)(3), is amended by deleting the subdivision and substituting the following:

The board of trustees of the University of Tennessee system, the Tennessee board of regents system, the state university boards, the Tennessee higher education commission, and the Tennessee student assistance corporation;

SECTION 3. Tennessee Code Annotated, Section 12-3-303(a)(4), is amended by deleting the subdivision and substituting the following:

Contracts of the Tennessee higher education commission, the Tennessee student assistance corporation, and all state colleges and universities operated by the board of trustees of the University of Tennessee, the board of regents, and the state university boards do not need to be approved by the chief procurement officer; however, these contracts are subject to applicable provisions of the rules and policies promulgated by the central procurement office and approved by the procurement commission; or

SECTION 4. Tennessee Code Annotated, Section 49-1-302(a)(10), is amended by deleting the subdivision.

SECTION 5. Tennessee Code Annotated, Section 49-4-202(a), is amended by deleting the subsection and substituting the following:

The Tennessee student assistance corporation is governed by a board of directors consisting of the governor, the commissioner of education, the state treasurer, the comptroller of the treasury, the commissioner of finance and administration, the president of the Tennessee Independent Colleges and Universities Association, the president of the Tennessee Proprietary Business School Association, the president of the University of Tennessee, the chancellor of the board of regents, the president of the Tennessee Association of Student Financial Aid Administrators, two (2) students enrolled in an institution of higher education in Tennessee, and three (3) private citizens involved in the field of

education, but not employed by or professionally affiliated with any institution of higher education in the state.

SECTION 6. Tennessee Code Annotated, Section 49-4-202(d), is amended by deleting the subsection.

SECTION 7. Tennessee Code Annotated, Section 49-4-202(e), is amended by deleting the language "the director of the higher education commission," and "the chair of the Tennessee Independent Colleges and Universities".

SECTION 8. Tennessee Code Annotated, Title 49, Chapter 4, Part 2, is amended by deleting the language "parts 2-7" wherever it appears in §§ 49-4-201, 49-4-202, and 49-4-203 and substituting the language "parts 2, 3, and 6-9".

SECTION 9. Tennessee Code Annotated, Section 49-4-203(1), is amended by deleting the subdivision.

SECTION 10. Tennessee Code Annotated, Section 49-4-204, is amended by deleting the section and substituting the following:

The Tennessee student assistance corporation is authorized and directed to promulgate rules governing the making of awards of financial assistance to students that the corporation deems necessary to carry out and to make effective the purposes of parts 2, 3, and 6-9 of this chapter.

SECTION 11. Tennessee Code Annotated, Section 49-4-205, is amended by deleting the section.

SECTION 12. Tennessee Code Annotated, Section 49-4-212(e), is amended by deleting the subsection and substituting the following:

This program shall be available for participants who meet the eligibility criteria and complete an initial application no later than August 1, 2020, or a renewal application by the deadline published on the corporation's website each year thereafter. The availability of scholarship loans is subject to appropriation of funds in each year's general appropriations act.

SECTION 13. Tennessee Code Annotated, Section 49-4-301(a)(1), is amended by deleting the following language in subdivision (B):

Are enrolled or intend to enroll as full-time or part-time students in an institution of postsecondary education in this state that is either:

and substituting the following:

Are enrolled or intend to enroll in an eligible program of study as defined in § 49-4-902 as full-time or part-time students in an institution of postsecondary education in this state that is either:

SECTION 14. Tennessee Code Annotated, Section 49-4-304(a)(1), is amended by deleting the language "parts 2-7 of this chapter and the policies" and substituting the language "this part and the policies and rules".

SECTION 15. Tennessee Code Annotated, Title 49, Chapter 4, is amended by deleting Part 4.

SECTION 16. Tennessee Code Annotated, Title 49, Chapter 4, is amended by deleting Part 5.

SECTION 17. Tennessee Code Annotated, Section 49-4-704(b)(7), is amended by deleting the subdivision and substituting the following:

"Resident" means a person who was a resident of this state as classified pursuant to § 49-8-104, at the time the law enforcement officer, firefighter, or emergency medical service technician died or became totally and permanently disabled; and

SECTION 18. Tennessee Code Annotated, Section 49-4-705, is amended by deleting the section and substituting the following:

The Christa McAuliffe Scholarship program terminates effective August 1, 2020, at which time all funds remaining in the program's investment principal and investment earnings accounts shall be added to the reserve balances held by the student assistance corporation for the student assistance award under § 49-4-301. The transfer of funds is subject to transfer in the general appropriations act.

SECTION 19. Tennessee Code Annotated, Section 49-4-706, is amended by deleting subsection (a) and substituting the following:

(a)(1) The Tennessee student assistance corporation (TSAC) shall administer a minority teaching fellows program for talented Tennesseans who aspire to be teachers.

(2) Participation in the minority teaching fellows program is limited to:

(A) College juniors, seniors, and post-baccalaureate candidates admitted to educator preparation programs in this state who pledge to teach in the public schools of this state for up to four (4) years; and

(B) Students who received the minority teaching fellows program award prior to July 1, 2021, and who continue to maintain all eligibility requirements.

(3) Recipients must maintain continuous enrollment in a degree program leading to licensure as a teacher in a higher education institution within this state with an educator preparation program approved by the state board of education.

(4) Each fellowship award is in the amount of five thousand dollars (\$5,000) and is renewable up to three (3) times, contingent upon satisfactory academic progress.

(5)(A) Recipients who become public school teachers in this state shall receive forgiveness of the fellowship balance based on one (1) year's teaching service for each year the fellowship was awarded.

(B) TSAC shall forgive the loan if, within seven (7) years after graduation, the recipient teaches for three (3) consecutive years, unless the recipient takes an approved leave of absence, at a public school in an LEA that, at the time the recipient accepts employment with the LEA, is determined to be a school system that is marginal or in need of improvement as determined by the commissioner of education according to the school district accountability framework adopted by the state board of education. TSAC shall also forgive the loan because of the death or permanent disability of the recipient.

SECTION 20. Tennessee Code Annotated, Section 49-4-708(b)(4), is amended by deleting the subdivision and substituting the following:

"Eligible program of study" means, beginning with the fall semester of 2021, a federal Title IV-eligible curriculum of courses leading to a certificate, diploma, or associate degree at an eligible postsecondary institution. Courses taken at a four-year postsecondary institution prior to admission in, or that fulfill prerequisite requirements for, an eligible program of study are not considered part of the eligible program of study;

SECTION 21. Tennessee Code Annotated, Section 49-4-708(b)(8), is amended by deleting the subdivision and substituting the following:

"Resident" means a student classified as a resident of this state pursuant to § 49-8-104;

SECTION 22. Tennessee Code Annotated, Section 49-4-708(b)(10), is amended by deleting the subdivision and substituting the following:

"Tennessee Promise scholarship student" means a student admitted to and enrolled in an eligible program of study; and

SECTION 23. Tennessee Code Annotated, Section 49-4-708(c)(8), is amended by adding the language "certificate," before the language "diploma or associate degree" wherever it appears.

SECTION 24. Tennessee Code Annotated, Section 49-4-708(c)(8)(B)(ii), is amended by deleting the language "diploma or degree" and substituting the language "certificate, diploma, or associate degree".

SECTION 25. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following as a new subdivision:

"Eligible program of study" means, beginning with the fall semester of 2021, a federal Title IV-eligible curriculum of courses leading to a certificate, diploma, or an associate or baccalaureate degree at an eligible postsecondary institution;

SECTION 26. Tennessee Code Annotated, Section 49-4-902(11), is amended by deleting subdivisions (B) and (C), and by adding the following language as a new subdivision:

() A private postsecondary institution accredited by a regional accrediting association that has its primary campus domiciled in this state;

SECTION 27. Tennessee Code Annotated, Section 49-4-902(37), is amended by inserting the language "coursework in an eligible program of" before the language "study in pursuit of".

SECTION 28. Tennessee Code Annotated, Section 49-4-902(38), is amended by inserting the language "coursework in an eligible program of" before the language "study in pursuit of".

SECTION 29. Tennessee Code Annotated, Section 49-4-902(43), is amended by deleting the word "Weighted" and substituting the words "High school" and redesignating the subdivision accordingly.

SECTION 30. Tennessee Code Annotated, Section 49-4-902(44), is amended by deleting the subdivision and substituting the following:

"Wilder-Naifeh technical skills grant" means a grant for coursework in an eligible program of study at a Tennessee college of applied technology operated by the board of regents of the state university and community college system that is funded from net proceeds of the state lottery and awarded under this part.

SECTION 31. Tennessee Code Annotated, Section 49-4-905(a), is amended by deleting the subsection and substituting the following:

(a) To be eligible for a Tennessee HOPE scholarship, Tennessee HOPE access grant, Tennessee HOPE teacher's scholarship or a Wilder-Naifeh technical skills grant, a student must:

(1) Be a resident of this state, as classified pursuant to § 49-8-104;

(2) Make application for a Tennessee HOPE scholarship, Tennessee HOPE access grant, Tennessee HOPE teacher's scholarship, or Wilder-Naifeh technical skills grant; and

(3) Be admitted to an eligible postsecondary institution.

SECTION 32. Tennessee Code Annotated, Section 49-4-907(3)(A), is amended by deleting the word "weighted".

SECTION 33. Tennessee Code Annotated, Section 49-4-909(a)(2), is amended by deleting the subdivision and substituting the following:

Be classified as a resident of this state, pursuant to § 49-8-104;

SECTION 34. Tennessee Code Annotated, Section 49-4-909(a)(3), is amended by inserting the language "high school" before the language "grade point average".

SECTION 35. Tennessee Code Annotated, Section 49-4-909, is amended by deleting subdivision (f)(2) and by deleting subdivision (e)(3) and substituting the following:

(e)(3) Time enrolled in an eligible postsecondary institution as a middle college scholarship student will not count towards the terminating events under § 49-4-913.

SECTION 36. Tennessee Code Annotated, Section 49-4-913, is amended by deleting subsections (b), (c), and (d).

SECTION 37. Tennessee Code Annotated, Section 49-4-916(a), is amended by deleting the subsection and substituting the following:

(a) To be eligible for a general assembly merit scholarship as an entering freshman, a student must:

(1) Meet all requirements for a Tennessee HOPE scholarship;

(2) Achieve a final high school grade point average of at least 3.75; and

(3) Attain a composite ACT score of at least 29 on any single ACT test date or a concordant equivalent score on the SAT on any single SAT test date.

SECTION 38. Tennessee Code Annotated, Section 49-4-919, is amended by deleting subsection (b).

SECTION 39. Tennessee Code Annotated, Section 49-4-920(a)(3), is amended by deleting the subdivision and substituting the following:

Submit an initial Tennessee HOPE access grant application no later than September 1, 2021, or a renewal application by the deadline published on TSAC's website each year thereafter;

SECTION 40. Tennessee Code Annotated, Section 49-4-920(a)(5), is amended by deleting the language "overall weighted".

SECTION 41. Tennessee Code Annotated, Section 49-4-920, is amended by deleting subsection (g).

SECTION 42. Tennessee Code Annotated, Section 49-4-923, is amended by deleting the language "a program of study leading to a certificate or diploma" in subsections (b) and (f) and substituting the language "an eligible program of study".

SECTION 43. Tennessee Code Annotated, Section 49-4-927, is amended by deleting the section.

SECTION 44. Tennessee Code Annotated, Section 49-4-930(b)(2), is amended by deleting the subdivision and substituting the following:

Is a resident of this state, as classified pursuant to § 49-8-104;

SECTION 45. Tennessee Code Annotated, Section 49-4-930(c), is amended by deleting the subsection and substituting the following:

(c) A student receiving a dual enrollment grant may enroll in one (1) course per semester at an eligible postsecondary institution under the following conditions:

(1) To be eligible for a dual enrollment grant for a semester beyond the first semester of receipt in an academic year, the student must continue to meet all eligibility requirements for the grant and must achieve a cumulative grade point average of 2.75 for all postsecondary courses attempted under a dual enrollment grant; and

(2) Notwithstanding subdivision (c)(1), a student enrolled in a clock hour course that is not completed within one (1) semester, maintains eligibility for the grant in the subsequent semester so long as the student attends the number of clock hours required for grant disbursement for that course and continues to meet all eligibility requirements.

SECTION 46. Tennessee Code Annotated, Section 49-4-930(d)(2)(B), is amended by deleting the language "overall weighted".

SECTION 47. Tennessee Code Annotated, Section 49-4-930, is amended by deleting subsections (h) and (i), and substituting the following:

(h) Notwithstanding subsection (g), it is the intent of the general assembly that the award for dual enrollment courses annually identified as high-need by TSAC's board of directors pursuant to this subsection (h) covers the cost of maintenance fees for no more than four (4) courses attempted by a student under the following limitations:

(1) The maximum award for courses at eligible two-year and four-year postsecondary institutions must not exceed the maintenance fees established annually for the community colleges by the state university and community college system; and

(2) The maximum award at Tennessee colleges of applied technology must not exceed the maintenance fees associated with the attempted average clock hours weighted by program participation among dual enrollment students. This award amount must be calculated annually using the maintenance fees established by the state university and community college system.

(i) TSAC's board of directors may consider the following reports, in addition to other relevant information, to identify high-need courses for which a student is eligible to receive an award described in this section:

(1) The annual workforce and credential report described in § 49-7-112; and

(2) The annual workforce needs report described in § 49-7-1209.

(j) TSAC is authorized to promulgate rules to establish award amounts at the eligible postsecondary institutions and to otherwise effectuate the purposes of this section. The rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 48. Tennessee Code Annotated, Section 49-4-931(a)(4), is amended by deleting the word "or" at the end of subdivision (A) and adding the word "or" at the end of subdivision (B).

SECTION 49. Tennessee Code Annotated, Section 49-4-931(a)(4), is amended by adding the following as a new subdivision (C):

(C) Enroll in a baccalaureate degree program at an eligible four-year postsecondary institution while maintaining continuous enrollment immediately following completion of an associate degree under the Tennessee reconnect grant, established in § 49-4-944;

SECTION 50. Tennessee Code Annotated, Section 49-4-931, is amended by deleting subsections (d), (e), (f), and (g) and substituting the following:

(d) A student may receive a Tennessee HOPE scholarship for nontraditional students under this section until the first of the following events:

(1) The student has earned a baccalaureate degree; or

(2) Five (5) years have passed since the student enrolled in an eligible postsecondary institution as a nontraditional student.

(e) A nontraditional student shall not be eligible for an ASPIRE award for need under § 49-4-915 or a general assembly merit scholar supplemental award under § 49-4-916.

SECTION 51. Tennessee Code Annotated, Section 49-4-935(a)(1), is amended by deleting the subdivision and substituting the following:

Is a resident of this state, as classified pursuant to § 49-8-104;

SECTION 52. Tennessee Code Annotated, Section 49-4-936(a)(7), is amended by deleting the subdivision and substituting the following:

Apply for a Tennessee HOPE teacher's scholarship no later than August 1, 2020, or a renewal of a Tennessee HOPE teacher's scholarship by the deadline published on TSAC's website each year thereafter.

SECTION 53. Tennessee Code Annotated, Section 49-4-938(b), is amended by deleting the subsection and substituting the following:

As used in this section, unless the context otherwise requires, "veteran" means a former member of the United States armed forces or a former or current member of a reserve or Tennessee National Guard unit who was called into active military service of the United States, as defined in § 58-1-102.

SECTION 54. Tennessee Code Annotated, Section 49-4-938(c)(2), is amended by deleting the subdivision and substituting the following:

Have been a resident of this state, as classified pursuant to § 49-8-104;

SECTION 55. Tennessee Code Annotated, Section 49-4-938(c)(7), is amended by deleting the language "successfully completes" and substituting the language "is enrolled in".

SECTION 56. Tennessee Code Annotated, Section 49-4-938(d), is amended by deleting the subsection and substituting the following:

A veteran who qualifies for a helping heroes grant under this section is not required to meet any academic standard at the time of initial enrollment in an eligible postsecondary institution to be eligible to receive the grant. A veteran may continue to be eligible to receive the grant by maintaining satisfactory academic progress as determined by the eligible postsecondary institution attended.

SECTION 57. Tennessee Code Annotated, Section 49-4-938(e), is amended by deleting the subsection and substituting the following:

A student who is enrolled in at least six (6) semester hours in a semester is eligible for a helping heroes grant. If a student is enrolled in twelve (12) or more semester hours, then the student receives the full amount of the grant as provided in subsection (f). If a student is enrolled in six (6) to eleven (11) semester hours, then the student receives one half (1/2) of the full grant. A student enrolled in fewer than six (6) semester hours in a semester is not eligible for the grant for that semester, but may subsequently be eligible for the grant in a semester in which the student is enrolled in at least six (6) semester hours if the student meets all other eligibility requirements during that semester.

SECTION 58. Tennessee Code Annotated, Section 49-4-943(b)(2), is amended by deleting the subdivision and substituting the following:

Have been a resident of this state, as classified pursuant to § 49-8-104;

SECTION 59. Tennessee Code Annotated, Section 49-4-943(e), is amended by deleting the subsection and substituting the following:

Subject to the amounts appropriated by the general assembly and any law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the amount of a Tennessee STEP UP scholarship is the same as the amount of a Tennessee HOPE scholarship awarded under § 49-4-914 to students attending an eligible postsecondary institution.

SECTION 60. Tennessee Code Annotated, Section 49-4-902(31), is amended by deleting the subdivision and substituting the following:

(31) "Regional accrediting association" means:

- (A) The Middle States Commission on Higher Education;
- (B) The New England Commission on Higher Education;
- (C) The Higher Learning Commission;
- (D) The Northwest Commission on Colleges and Universities;
- (E) The Southern Association of Colleges and Schools; or
- (F) The Western Association of Schools and Colleges;

SECTION 61. Tennessee Code Annotated, Section 49-4-902, is amended by deleting subdivision (20).

SECTION 62. Tennessee Code Annotated, Section 49-4-704(c), is amended by deleting the words "Tennessee resident" and substituting instead the words "resident of this state".

SECTION 63. Tennessee Code Annotated, Section 49-4-708(c), is amended by deleting the words "Tennessee residents" and substituting instead the words "residents of this state".

SECTION 64. Tennessee Code Annotated, Section 49-4-902(10)(D), is amended by deleting the words "Tennessee residents" and substituting instead the words "residents of this state".

SECTION 65. Tennessee Code Annotated, Section 49-4-902(10)(E), is amended by deleting the words "Tennessee resident" and substituting instead the words "resident of this state".

SECTION 66. Tennessee Code Annotated, Section 49-4-902(36), is amended by deleting the words "Tennessee resident" and substituting instead the words "resident of this state".

SECTION 67. Tennessee Code Annotated, Section 49-4-934(c), is amended by deleting the words "Tennessee residents" and substituting instead the words "residents of this state".

SECTION 68. Tennessee Code Annotated, Section 49-4-942(c), is amended by deleting the words "Tennessee residents" and substituting instead the words "residents of this state".

SECTION 69. Tennessee Code Annotated, Section 49-4-944(c)(3), is amended by deleting the words "Tennessee resident" and substituting instead the words "resident of this state".

SECTION 70. Sections 13, 19, 20, 22, 25, 27, 28, 30, 35, 36, 38, 42, and 50 of this act shall take effect July 1, 2021, the public welfare requiring it. All remaining sections of this act shall take effect August 1, 2020, the public welfare requiring it.

SENATE BILL NO. 2097

PASSED: June 17, 2020



RANDY McNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 15th day of JULY 2020



BILL LEE, GOVERNOR