HOUSE BILL NO. HB0165

Wyoming's tomorrow scholarship program.

Sponsored by: Representative(s) Harshman, Connolly and Sommers and Senator(s) Rothfuss, Schuler and Wasserburger

A BILL

for

1 AN ACT relating to higher education; creating the Wyoming's 2 scholarship program; providing eligibility tomorrow 3 requirements; providing for administration, including rulemaking authority; creating accounts and a permanent 4 5 fund; requiring reports; providing for a continuous appropriation; amending a provision governing the Hathaway б 7 scholarship reserve account; amending a provision regarding 8 permanent funds of the state; providing for a transfer of 9 funds; providing when scholarships may first be awarded; 10 and providing for an effective date.

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12 Be It Enacted by the Legislature of the State of Wyoming:

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14 **Section 1.** W.S. 21-16-1701 through 21-16-1707 are 15 created to read:

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1 2 ARTICLE 17 3 WYOMING'S TOMORROW SCHOLARSHIP PROGRAM 4 21-16-1701. Definitions. 5 6 7 (a) As used in this article: 8 (i) "Academic term" means the fall semester or 9 10 term or the spring semester or term; 11 12 (ii) "Academic year" means two (2) consecutive semesters or terms and is the period of time a full-time 13 student is expected to complete the equivalent of at least 14 two (2) semesters of academic work; 15 16 17 (iii) "Certificate" means a credential other 18 than a degree. A "certificate" indicates satisfactory 19 completion of training in an academic year program of study 20 offered by an eligible institution; 21 22 (iv) "Cost of attendance" means the sum cost of 23 tuition, mandatory fees, room and board, books and

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supplies, travel and personal expenses to attend an 1 2 eligible institution; 3 4 (v) "Degree" means a baccalaureate or an associate degree other than a certificate; 5 6 7 (vi) "Eligible institution" means the University 8 of Wyoming or a Wyoming community college; 9 (vii) "Equivalent of a full-time semester" means 10 twelve (12) semester hours in a semester; 11 12 13 (viii) "Other academic period" means an educational term other than the fall semester or spring 14 semester and includes a summer term or January term; 15 16 17 (ix) "Semester hour" means each nonremedial 18 semester hour attempted for credit toward a postsecondary 19 degree or certificate; 20 (x) "Title IV" means Title IV of the federal 21 Higher Education Act of 1965, as amended; 22 23

HB0165

1 (xi) "Unmet financial need" means the cost of 2 attendance minus the sum of expected family contribution 3 and all federal, state, local, institutional and privately 4 funded scholarships or grants received by the student, all 5 as determined by the eligible institution.

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7 21-16-1702. Wyoming tomorrow scholarship expenditure
8 account created; reserve account created; use and
9 appropriation of funds.

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11 (a) The Wyoming's tomorrow scholarship expenditure account is created to consist of all earnings from the 12 Wyoming's tomorrow scholarship endowment fund created by 13 W.S. 9-4-204(u)(ix) and such other funds appropriated by 14 the legislature to the expenditure account. Monies within 15 16 the expenditure account are continuously appropriated to 17 the state treasurer for distribution to eligible 18 institutions based on scholarships awarded under this 19 article. All unexpended and unencumbered monies within the 20 expenditure account at the end of each fiscal year shall be deposited by the state treasurer to the Wyoming's tomorrow 21 scholarship reserve account. 22

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HB0165

1 is created Wyoming's (b) There the tomorrow 2 scholarship reserve account. The reserve account shall 3 consist of those monies deposited to the account pursuant 4 to subsection (a) of this section and such other funds 5 appropriated by the legislature to the reserve account. Interest and other earnings on funds within the reserve 6 account shall be credited to the reserve account. To the 7 8 extent funds within the Wyoming's tomorrow scholarship 9 expenditure account are insufficient in any fiscal year to 10 fully fund scholarships awarded under this article, monies within the reserve account shall be deposited by the state 11 12 treasurer to the expenditure account for distribution to eligible institutions to fund those scholarships. As soon 13 as possible after the end of each fiscal year, the state 14 treasurer shall transfer monies from this reserve account 15 16 to the Wyoming's tomorrow scholarship endowment fund to the 17 extent monies within the reserve account are in excess of the greater of twelve million dollars (\$12,000,000.00) or 18 19 an amount equal to nine percent (9%) of the previous five 20 (5) year average market value of the Wyoming's tomorrow scholarship endowment fund, calculated from the first day 21 of the fiscal year. The state treasurer shall report not 22 later than November 1, of each year to the joint education 23

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STATE OF WYOMING

1 interim committee and the select committee on capital 2 financing and investments the amount of funds within the 3 reserve account at the end of the previous fiscal year and 4 as of July 1, of the current fiscal year. 5 21-16-1703. Wyoming's tomorrow scholarship program; б 7 eligibility requirements. 8 9 (a) There is created Wyoming's the tomorrow 10 scholarship program. 11 12 (b) Under the Wyoming's tomorrow scholarship program, subject to availability of funds as determined by the 13 legislature, the state shall provide a scholarship pursuant 14 to W.S. 21-16-1704 to any student who has been accepted by 15 16 and enrolls in an eligible institution to pursue a degree 17 or certificate, and who meets the following qualifications: 18 19 (i) The student has demonstrated Wyoming 20 residency for not less than three (3) years immediately preceding application, as determined by the eligible 21 institution at which the student is enrolled; 22 23 6 HB0165

1 (ii) The student is twenty-four (24) years of 2 age or older; 3 4 (iii) The student has not earned a baccalaureate 5 degree; 6 7 (iv) The student has completed and filed a free 8 application for federal student aid for the academic year for which the student is applying for a scholarship, has 9 unmet financial need and qualifies for federal financial 10 aid; 11 12 13 (v) The student is not eligible for a Hathaway scholarship under article 13 of this chapter; 14 15 16 (vi) The student has registered with the 17 department of workforce services for applicable training assistance; 18 19 20 (vii) The student agrees to: 21 22 (A) Actively engage in work in Wyoming for one (1) year or attend graduate school at the University of 23

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1 Wyoming for one (1) year for each four (4) full-time 2 academic semesters or portions thereof in which a Wyoming's 3 tomorrow scholarship was received. This requirement shall 4 be completed within four (4) years after the completion of 5 the last semester in which a Wyoming's tomorrow scholarship 6 was received; or

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8 (B) all Wyoming's Repay tomorrow scholarship amounts received, together with interest which 9 10 shall begin accruing four (4) years after execution of the 11 However, interest shall begin agreement. to accrue 12 immediately upon the student withdrawing from the eligible 13 institution or becoming ineligible for the scholarship under W.S. 21-16-1704(c). Scholarship amounts shall accrue 14 at an annual interest rate equal to that charged for 15 16 federal direct student loans at the time interest begins to 17 accrue, which rate shall be adjusted annually to match the federal direct student loan rate. In no event shall the 18 19 interest rate be greater than eight percent (8%). Any 20 amounts repaid by Wyoming's tomorrow scholarship recipients 21 shall be deposited to the Wyoming's tomorrow scholarship expenditure account. The University of Wyoming and the 22

HB0165

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1 community college commission may create exceptions to the 2 requirements of this paragraph for good cause shown. 3 4 (c) No student shall be eligible for a scholarship under this article for more than the equivalent of four (4) 5 full-time semesters. б 7 8 (d) A student is not eligible for a scholarship under this article if the student: 9 10 11 (i) not a United States citizen Is or а 12 permanent resident alien who meets the definition of an eligible noncitizen under federal Title IV requirements or 13 requirements of a subsequent similar federal enactment. An 14 eligible institution may grant a student of the eligible 15 16 institution an exception to this limitation for good cause 17 shown; 18 19 (ii) Is in default on a federal Title IV 20 education loan; 21 (iii) Owes a refund under a federal Title IV 22 23 student financial aid program or a subsequently enacted

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STATE OF WYOMING

1 similar federal student financial aid program, or a student 2 financial aid program administered through the state; 3 4 (iv) Is incarcerated; 5 (v) Has been convicted of a felony in this state 6 or another jurisdiction unless the student has had rights 7 8 restored under W.S. 7-13-105 or 7-13-1502. An eligible institution may grant a student of the eligible institution 9 10 an exception for good cause shown; or 11 12 (vi) Does not otherwise qualify under this article for a scholarship. 13 14 15 21-16-1704. Wyoming's tomorrow scholarships. 16 17 (a) Any student who meets the criteria under W.S. 21-16-1703 is eligible to receive a scholarship to pursue a 18 19 degree or certificate for: 20 21 (i) Not more than one thousand five hundred 22 dollars (\$1,500.00) per semester or other academic term for

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2021
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unmet financial need at an eligible institution if enrolled 1 2 for twelve (12) or more semester hours; 3 4 (ii) The amount provided under paragraph (i) of this subsection times a fraction that represents the 5 student's enrollment status. б 7 8 (b) Scholarships under this section shall be for a maximum of the equivalent of four (4) full-time semesters. 9 10 No student shall receive more than a total of six thousand 11 dollars (\$6,000.00) in unmet financial need under this 12 article. 13 14 (c) To remain eligible for the scholarship under this section, the student shall: 15 16 17 (i) Make satisfactory academic progress toward a degree or certificate by completing at least two-thirds 18 19 (2/3) of attempted semester hours in any academic term or 20 other academic period, maintain a cumulative grade point 21 average of at least 2.0 as evaluated at the end of each spring academic term and meet such other criteria as 22

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1 established by the eligible institution to ensure the 2 student earns a degree or certificate in a timely manner; 3 4 (ii) Maintain continuous enrollment for not less than two (2) semesters in each successive academic year. 5 б (d) A student receiving a Wyoming's tomorrow 7 8 scholarship who fails to meet the requirements of subsection (c) of this section shall be ineligible to 9 10 receive a scholarship under this article. 11 12 21-16-1705. Administration; rules and regulations. 13 (a) This article shall be administered jointly by the 14 University of Wyoming and the community college commission 15 16 in accordance with the following: 17 18 (i) Students shall apply for scholarships under 19 this article with the eligible institution at the time of 20 applying for admission or in any event prior to the 21 beginning of the semester at the eligible institution. The application shall contain information as required by rule 22 of the university and commission. The application shall 23

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1 require each applicant to verify under penalty of false 2 swearing under W.S. 6-5-303, that the applicant has not 3 been convicted of a felony in this state or another 4 jurisdiction or that the student has had rights restored 5 under W.S. 7-13-105 or 7-13-1502;

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7 (ii) For students transferring from an eligible 8 institution to another eligible institution and making 9 application for continuance of a scholarship, the 10 institution from which the student is transferring shall at 11 the student's request provide an official transcript to the 12 new institution and shall provide a list of all semesters of attendance in which a Wyoming's tomorrow scholarship was 13 received by the student; 14

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16 (iii) Each eligible institution receiving an 17 application from a student applying for a Wyoming's tomorrow scholarship shall preliminarily determine the 18 19 student's eligibility for the scholarship. Upon final 20 determination of scholarship eligibility, each community college shall certify to the commission not later than 21 thirty (30) days after the semester commences, a list of 22 students enrolled at the institution who qualify for a 23

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1 scholarship under this article, including the amount of 2 each scholarship. The university shall certify within 3 forty-five (45) days after the semester commences a like 4 list for students enrolled at the university. The director of the community college commission shall verify within ten 5 (10) days after receiving all lists from community colleges б whether there is any duplication of students on 7 the 8 community college lists, shall provide the lists to the 9 university and then the commission and the university shall 10 certify the amount each college is to receive under this 11 article. Students attending more than one (1) eligible 12 institution shall enter into a consortium agreement with the 13 multiple institutions whereby the student shall designate a home institution to be paid the entire 14 15 Wyoming's tomorrow scholarship amount for which the student 16 qualifies;

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18 the fall 2022 semester, the (iv) For state 19 treasurer shall pay from the expenditure account amounts 20 necessary for all awarded scholarships. For each subsequent semester, the university and commission shall 21 determine and certify to the state treasurer the amount 22 23 which is equal to seventy-five percent (75%) of the total

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1 eligible institution received during the amount the 2 preceding semester under this subsection. Not later than 3 September 1 for the fall semester and not later than 4 January 15 for the spring semester, the state treasurer shall pay from the scholarship expenditure account the 5 amount certified. The university and commission shall 6 review the lists provided under paragraph (iii) of this 7 8 subsection, determine whether there is any duplication of 9 students, and determine and certify to the state treasurer 10 the balance of the amount due under this article to each 11 institution for the semester. For any duplication, the 12 university and commission shall determine whether the 13 student is attending more than one (1) eligible institution. If the student is attending multiple eligible 14 15 institutions payment of the Wyoming's tomorrow scholarship 16 for which the student qualifies shall be made only to the 17 institution designated as the home institution by the 18 student. The state treasurer shall pay from the scholarship 19 expenditure account the balance of the amount due. Payments 20 of the balance due under this paragraph shall be made not 21 later than seventy-five (75) days after the institution's semester has commenced. Payments to the university shall be 22 23 made directly to the university. Payments to the community

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1 colleges shall be made directly to each college and be 2 reported by the state treasurer to the community college 3 commission. Should a prepayment under this paragraph exceed 4 the amount actually due the institution for any semester, the excess amount shall be calculated by the university and 5 commission and deducted from the next payment made. 6 7 8 The University of Wyoming and the community (b) college commission shall jointly promulgate rules 9 and 10 regulations necessary to implement this article. 11 12 (C) The University of Wyoming and the community college commission shall establish appropriate annual 13 reporting procedures for purposes of policy analysis and 14 program evaluation and providing accurate data to the 15 16 legislature and governor relative to the program's impact 17 on the state and on students. The commission shall submit the annual report to the governor and the legislature in 18 19 accordance with W.S. 9-2-1014.

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21 (d) The department of audit may conduct an audit of 22 any eligible institution participating in the scholarship

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program under this article to determine compliance with any 1 2 provision of this article. 3 4 21-16-1706. Additional funding considerations. 5 (a) To the extent sufficient funds are not available б 7 in the expenditure account to fund all scholarships as 8 provided under this article: 9 10 (i) After all funds within the expenditure account have been expended, funds within the Wyoming's 11 12 tomorrow scholarship reserve account shall be used to fund any remaining scholarships awarded under this article; 13 14 funds 15 (ii) If no remain available in the 16 expenditure account or reserve account at the time payment 17 is required to be made to an institution for any semester, the payment to the eligible institutions shall be reduced 18 19 on a first come first served basis using the student's 20 application date for the scholarship. 21 21-16-1707. Legislative oversight and authority. 22 23

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1	Nothing in this article shall be construed to constitute an
2	entitlement to a scholarship established and funded by the
3	legislature. Wyoming's tomorrow scholarships shall be
4	subject to legislative appropriation and the legislature
5	reserves the right to modify or terminate the program
6	established under this article at any time.
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8	Section 2. W.S. 9-4-204(u) by creating a new
9	paragraph (ix), $9-4-714(a)(v)$ and $21-16-1302(b)$ are amended
10	to read:
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12	9-4-204. Funds established; use thereof.
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T 1	(u) Other funds defined as follows shall be
15	(u) Other funds defined as follows shall be classified by the state auditor pursuant to subsections (s)
15	classified by the state auditor pursuant to subsections (s)
15 16	classified by the state auditor pursuant to subsections (s)
15 16 17	classified by the state auditor pursuant to subsections (s) and (t) of this section:
15 16 17 18	classified by the state auditor pursuant to subsections (s) and (t) of this section: (ix) Wyoming's tomorrow scholarship endowment
15 16 17 18 19	<pre>classified by the state auditor pursuant to subsections (s) and (t) of this section:</pre>
15 16 17 18 19 20	<pre>classified by the state auditor pursuant to subsections (s) and (t) of this section:</pre>

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1	state. Earnings from investment of monies within the fund
2	shall be distributed and expended as provided by law.
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4	9-4-714. Definitions.
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6	(a) As used in this act:
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8	(v) "Permanent funds" means the permanent
9	Wyoming mineral trust fund under W.S. 9-4-204(u)(iii), the
10	Wyoming permanent land fund under W.S. 9-4-204(u)(iv), the
11	excellence in higher education endowment fund under W.S.
12	9-4-204(u)(vi), the Hathaway student scholarship endowment
13	fund under W.S. 9-4-204(u)(vii) <u>, and the Hathaway</u> expand
14	Wyoming scholarship endowment fund under W.S.
15	9-4-204(u)(viii) and the Wyoming's tomorrow scholarship
16	<pre>endowment fund under W.S. 9-4-204(u)(ix);</pre>
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18	21-16-1302. Hathaway scholarship expenditure account
19	created; reserve account created; use and appropriation of
20	funds.
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22	(b) There is created the Hathaway student scholarship
23	reserve account. The reserve account shall consist of those
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monies deposited to the account pursuant to subsection (a) 1 2 of this section and such other funds appropriated by the 3 legislature to the reserve account. Interest and other 4 earnings on funds within the reserve account shall be 5 credited to the reserve account. To the extent funds within б the Hathaway scholarship expenditure account are insufficient in any fiscal year to fully fund scholarships 7 8 awarded under this article, monies within the reserve 9 account shall be deposited by the state treasurer to the 10 expenditure account for distribution to eliqible 11 institutions to fund those scholarships. As soon as 12 possible after the end of each of the fiscal years beginning on and after July 1, 2007, the state treasurer 13 shall transfer monies from this reserve account to the 14 Hathaway student scholarship endowment fund to the extent 15 16 monies within the reserve account are in excess of the 17 greater of twelve million dollars (\$12,000,000.00) or an amount equal to four and one-half percent (4.5%) nine 18 19 percent (9%) of the previous five (5) year average market 20 value of the Hathaway student scholarship endowment fund, 21 calculated from the first day of the fiscal year. The state treasurer shall report not later than November 1, of each 22 year to the joint education interim committee and the 23

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select committee on capital financing and investments the
 amount of funds within the reserve account at the end of
 the previous fiscal year and as of July 1, of the current
 fiscal year.

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6 Section 3. On July 2, 2021, the state treasurer shall 7 transfer one hundred million dollars (\$100,000,000.00) from 8 the Hathaway student scholarship endowment fund to the 9 Wyoming's tomorrow scholarship endowment fund, as created 10 by this act.

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Section 4. Neither the University of Wyoming nor any Wyoming community college shall award a Wyoming's tomorrow scholarship in the 2021-2022 academic year. The university and the community colleges shall award Wyoming's tomorrow scholarships beginning with the 2022-2023 academic year.

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18 **Section 5**. This act is effective July 1, 2021.

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- 20 (END)

HB0165