

HOUSE BILL NO. 635

INTRODUCED BY T. JACOBSON

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A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE DUAL-CREDIT SCHOLARSHIP PROGRAM; REQUIRING STUDENTS TO MEET NEEDS-BASED CRITERIA TO BE ELIGIBLE FOR A SCHOLARSHIP; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 20-26-601, 20-26-602, 20-26-605, AND 20-26-606, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Dual-credit scholarship program -- eligibility -- amount.** (1) There is a dual-credit scholarship program administered by the board through the office of the commissioner of higher education.

(2) The purpose of the program is to provide scholarships to high school students who are enrolled in dual-credit college courses at a postsecondary institution to earn both high school credit and college credit at the same time.

(3) To be eligible for a scholarship under this section, the high school student must also meet needs-based criteria established by the board through policy and procedures.

(4) The amount of the scholarship is equal to the cost of tuition and fees required for the student's enrollment in the dual-credit course at the postsecondary institution. The postsecondary institution shall certify the student's enrollment in a dual-credit class to the office of the commissioner of higher education, who will provide the scholarship payment to the postsecondary institution.

(5) A high school student is eligible to receive one dual-credit scholarship per semester. The student may receive a maximum of four scholarships while enrolled in dual-credit courses.

Section 2. Section 20-26-601, MCA, is amended to read:
"20-26-601. Short title. ~~This part~~ Sections 20-26-601 through 20-26-605 may be cited as the "Governor's Postsecondary Scholarship Program"."

Section 3. Section 20-26-602, MCA, is amended to read:



1 **"20-26-602. Governor's postsecondary scholarship program -- duties of council -- duties of board.**

2 (1) There is a governor's postsecondary scholarship program administered by the board through the office of the
3 commissioner of higher education with assistance from the council.

4 (2) The purpose of the governor's postsecondary scholarship program is to provide scholarships on the
5 basis of need and merit to Montana residents toward the cost of attendance at 2-year and 4-year postsecondary
6 institutions and to allocate some of the scholarships to specific areas of study that promote economic
7 development or address critical workforce shortage areas in Montana.

8 (3) The council shall gather information and make recommendations for the board to consider in the
9 board's adoption of policies and procedures under ~~this part~~ sections 20-26-601 through 20-26-605. The
10 recommendations must attempt to promote efficient administration of the governor's postsecondary scholarship
11 program.

12 (4) After consideration of the council's recommendations pursuant to subsection (3), the board shall
13 adopt policies and procedures for administration of the governor's postsecondary scholarship program consistent
14 with ~~this part~~ sections 20-26-601 through 20-26-605.

15 (5) Subject to available funding, scholarships must be awarded on an annual basis to qualified recipients
16 pursuant to policies adopted by the board. The board may delegate to Montana high schools and postsecondary
17 institutions the authority to review scholarship applications and select scholarship recipients."

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19 **Section 4.** Section 20-26-605, MCA, is amended to read:

20 **"20-26-605. Eligibility requirements -- renewals -- limited appeals.** (1) Scholarships must be awarded
21 under the governor's postsecondary scholarship program in accordance with the eligibility requirements of this
22 section and pursuant to policies and procedures established by the board pursuant to 20-26-602 and this section.

23 (2) To be eligible to receive a scholarship, a student must be a Montana resident eligible for in-state
24 tuition as determined by board policy.

25 (3) To be eligible to receive a merit-based scholarship, a student must have attained a minimum grade
26 point average or numerical score on a standardized college admission test as prescribed by board policy.

27 (4) To be eligible to receive a need-based scholarship, a student must complete the standard free
28 application for federal student aid form and the student's expected family contributions may not exceed the cost
29 of attendance at the postsecondary institution that the student expects to attend.

30 (5) Scholarships must be awarded to students seeking their first certificate or their 2-year or 4-year

1 degree at a postsecondary institution.

2 (6) Scholarships may be renewed in accordance with board policy. The policy must include proof of
3 satisfactory academic performance.

4 (7) Scholarships may be terminated in accordance with board policy.

5 (8) The board shall establish policies and procedures:

6 (a) to allow a student to transfer from one postsecondary institution to another without loss of the
7 scholarship; and

8 (b) to ensure compliance with 20-26-606(3) if a student transfers from a postsecondary institution to a
9 Montana private college.

10 (9) A scholarship recipient's right to receive other financial aid, awards, and scholarships may be limited
11 as required by federal or state law or board policy.

12 (10) A student is ineligible to receive a scholarship under the provisions of ~~this part~~ the governor's
13 postsecondary scholarship program if the student:

14 (a) has been awarded a Montana university system honor scholarship;

15 (b) has failed to meet the federal Title IV selective service registration requirements;

16 (c) is in default on a Title IV or state of Montana educational loan or owes a refund to a federal Title IV
17 or state of Montana student financial aid program; or

18 (d) is incarcerated. Upon release, the student may begin receiving scholarship payments if the student
19 meets all other eligibility requirements. If approved by the board, credits earned during incarceration may be
20 counted toward eligibility.

21 (11) (a) Except as provided in subsection (11)(b), scholarship awards are not subject to appeal.

22 (b) A student may appeal the termination of a scholarship based on extenuating circumstances in
23 accordance with board policy."

24

25 **Section 5.** Section 20-26-606, MCA, is amended to read:

26 **"20-26-606. Public and private sources of funding -- restrictions on use -- accounting.** (1) The
27 board may accept donations from public or private sources and shall distribute those funds in accordance with
28 this part.

29 (2) Except when a donor of private funds designates that scholarship funds must be given to students
30 attending a private college, scholarship awards are determined solely by the board or an entity designated by the

1 board pursuant to board policy adopted under 20-26-602 and [section 1].

2 (3) Funds from public sources may not be used to pay for scholarships for students enrolled in Montana
3 private colleges.

4 (4) Funds from private sources must be deposited into an account in the state special revenue fund
5 established in 17-2-102 to pay for scholarships for students enrolled in postsecondary institutions or, when
6 designated by the donor, in Montana private colleges.

7 (5) Each postsecondary institution or Montana private college that receives scholarship payments shall
8 prepare and submit to the board, in accordance with procedures and policies established by the board, a report
9 of the postsecondary institution's or Montana private college's administration of the scholarships and a complete
10 accounting of scholarship funds.

11 (6) Funds from a scholarship may not be used to pay for remedial or college-preparatory course work.

12 (7) Except for funds donated from private sources, the obligation for funding the governor's
13 postsecondary scholarship program is an obligation of the state. This section may not be construed to require
14 the board to provide scholarships to an eligible student without an appropriation to the board for the purposes
15 of ~~this part~~ the governor's postsecondary scholarship program. Funds from private sources may not be used as
16 an offset to general fund appropriations."
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18 **NEW SECTION. Section 6. Appropriation.** There is appropriated \$500,000 from the state general fund
19 to the office of the commissioner of higher education for the biennium beginning July 1, 2015, for the scholarship
20 program provided for in [section 1]. Any remaining funds that are unencumbered by June 30, 2017, must revert
21 to the general fund.
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23 **NEW SECTION. Section 7. Codification instruction.** [Section 1] is intended to be codified as an
24 integral part of Title 20, chapter 26, part 6, and the provisions of Title 20, chapter 26, part 6, apply to [section 1].
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26 **NEW SECTION. Section 8. Effective date.** [This act] is effective July 1, 2015.
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