

# VIRGINIA ACTS OF ASSEMBLY -- 2000 SESSION

## CHAPTER 567

*An Act to amend and reenact §§ 23-38.46, 23-38.48, and 23-38.49 of the Code of Virginia, relating to the College Scholarship Assistance Act.*

[S 631]

Approved April 7, 2000

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 23-38.46, 23-38.48, and 23-38.49 of the Code of Virginia are amended and reenacted as follows:**

§ 23-38.46. Council to develop program; what students eligible.

A. The State Council of Higher Education shall develop and administer a statewide program of financial aid to eligible undergraduate students at eligible institutions of higher education in Virginia. Such aid shall be made in the form of grants to students who wish to enroll, or are enrolled, at any accredited, degree-granting public or private, nonprofit, institution of higher education in Virginia, excepting those institutions whose primary purpose is to provide religious training or theological education.

B. Only students who are bona fide domiciliaries of Virginia as defined by § 23-7.4, who are undergraduate students enrolled at least half time and who have not previously earned an undergraduate degree *at the same level* shall be eligible to receive such grants.

C. Grants shall be made for one year, but may be renewed annually by the State Council of Higher Education for a period not to exceed the normal length of time required to complete the particular undergraduate degree program in which the recipient is enrolled.

§ 23-38.48. Amount of grants.

The participating institution, under regulations issued by the State Council of Higher Education, shall determine the amount of the grant to be awarded each qualified applicant based on criteria established pursuant to § 23-38.47, but no grant shall exceed \$2,000 *the amount authorized for such purposes by the appropriation act* for full-time attendance in an academic year.

§ 23-38.49. Terms and conditions of grants.

A. The State Council of Higher Education shall make grants to eligible students attending public and private institutions in Virginia on the basis of such terms and conditions, not inconsistent with the provisions of this chapter, as the State Council of Higher Education deems appropriate.

B. Loans made under this program prior to July 1, 1978, to eligible students attending eligible private institutions shall be repayable in money or by actions beneficial to or by service to the Commonwealth as provided hereafter.

C. Where repayment is made in money pursuant to subsection B, it shall be in accordance with a schedule established by the State Council of Higher Education; such schedule to provide that full payment will be made in an orderly fashion over a period of time commencing on the date the recipient ceases to be a full-time, undergraduate student in the institution or becomes ineligible to repay in accordance with subsection D and extending over a period of years equal to twice the number of years for which the loan was received; provided, however, that such period of time shall be extended by such number of years as the recipient may spend in additional full-time, undergraduate or graduate study in a regionally accredited institution of higher education, such time of extension not to exceed six years.

D. Where repayment is made by actions beneficial to, or of service to, the Commonwealth pursuant to subsection B, the recipient may make repayment for each successfully completed academic year in which a loan was received by complying with any one of, or combination of, the following actions:

1. Reside and be domiciled in Virginia and be employed by the Commonwealth of Virginia or any of its political subdivisions including all state and local agencies and authorities for a period of one year for each year a loan was received; provided that for teachers and those similarly situated employment for an academic year constitutes a full year;

2. Reside and be domiciled in Virginia and be employed by an organization or activity, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office for a period of one year for each year a tuition assistance loan was received; provided that for teachers and those similarly situated employment for an academic year constitutes a full year;

3. Reside and be domiciled in Virginia and be gainfully employed in or out of State other than as

enumerated in subdivisions D 1 and 2 hereof for a period of one and one-half years for each year a tuition assistance loan was received; provided that for teachers and those similarly situated an academic year constitutes a full year;

4. Reside and be domiciled in Virginia for a period of two years for each year a tuition assistance loan was received;

5. Serve on active duty anywhere as a member of the armed services of the United States for a period of one year for each year a tuition loan was received.

E. When the recipient leaves the Commonwealth of Virginia to reside elsewhere, except for that reason for which extensions of time for a maximum period of six years are authorized in subsection C, the balance of the loan or loans not previously repaid as authorized in subsection D above shall become due forthwith and repayable in money in accordance with the schedule authorized in subsection C hereof.

F. Should a recipient of a loan leave the institution for other than meritorious reasons during the academic year for which the loan was granted, said loan for said year shall be due forthwith and repayable in money as required in subsection C hereof.

G. Whether a recipient, who is compelled to withdraw from an institution during the academic year, in order to perform military service, or for other meritorious reasons, shall be obligated to repay the loan for said year in full or in part and whether by the method set forth in subsection C or D hereof shall be determined by the State Council of Higher Education on a basis consistent with the principles applied by the public institutions of higher education of the Commonwealth in making tuition refunds on comparable cases of withdrawal.

H. Simple interest at three percent per year shall accrue on the unpaid balance of each loan from the date on which the recipient ceases to be a full-time, undergraduate student in the institution; provided, however, that no interest shall accrue during periods when the recipient is pursuing full-time, undergraduate or graduate studies in a regionally accredited institution of higher education.