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SENATE BILL NO. 559

Offered January 24, 2000

A BILL to amend and reenact §§ 23-38.15, 23-38.16, and 23-38.17:1 of the Code of Virginia, relating to the Tuition Assistance Grant Act.

Patron—Quayle

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That §§ 23-38.15, 23-38.16, and 23-38.17:1 of the Code of Virginia are amended and reenacted as follows:

§ 23-38.15. To whom grants made.

(a) Under this program, grants shall be made to or on behalf of eligible Virginia residents for the academic year for which they enroll and are obligated to pay tuition as full-time undergraduate, graduate, or professional students at a qualified private institution, as described in § 23-38.12. Loans made pursuant to the provisions of this chapter prior to July 1, 1980, and outstanding as of such date shall be repayable in money, or by actions beneficial to, or of service to, the Commonwealth as provided hereafter.

(b), (c) [Repealed.]

(e1) Where repayment is made in money it shall be in accordance with a schedule established by the administering agency, 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 § 23-38.15 (e2) and extending over a period of years equal to twice the number of years for which tuition assistance 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.

(e2) Where repayment is made by actions beneficial to, or of service to, the Commonwealth, the recipient may make repayment for each successfully completed academic year in which a tuition 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 tuition assistance 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 § 23-38.15 (e2) (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.

(e3) 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 is authorized in § 23-38.15 (e1), the balance of the loan or loans not previously repaid as authorized in § 23-38.15 (e2) above shall become due forthwith and repayable in money in accordance with the schedule authorized in § 23-38.15 (e1) hereof.

(e4) Should a recipient of a tuition loan leave the institution for other than meritorious reason during the academic year for which the loan was granted, said loan for said year shall be due forthwith and

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60 repayable in money as required in ~~§ 23-38.15 (c1)~~ hereof.

61 (d) Whether a recipient, who is compelled to withdraw from an institution during the academic year,
62 in order to perform military service, or for other meritorious reasons, shall be obligated to repay the
63 grant or loan for said year in full or in part and whether by the method set forth in ~~§ 23-38.15 (c1)~~ or
64 (c2) hereof shall be determined by the administering agency on a basis consistent with the principles
65 applied by the public institutions described in ~~§ 23-38.14~~ in making tuition refunds on comparable cases
66 of withdrawal.

67 (e) Simple interest at three per centum per annum shall accrue on the unpaid balance of each tuition
68 assistance loan from the date on which the recipient ceases to be a full-time, undergraduate student in
69 the institution, provided, however, that no interest shall accrue during periods when the recipient is
70 pursuing full-time undergraduate or graduate studies in a regionally accredited institution of higher
71 education or is on active duty with the armed services of the United States as set forth in ~~§ 23-38.15~~
72 (c1) hereof.

73 § 23-38.16. Duration of eligibility; grants to be used only for undergraduate, graduate, or professional
74 work.

75 Eligibility for tuition assistance under this program shall be limited to a total of four academic years
76 for undergraduate students, *pharmacy students*, and medical students, and three academic years for
77 graduate students and other professional school students, which years need not be in succession. Tuition
78 grants under this program shall be used only for undergraduate, graduate, or professional collegiate work
79 in educational programs other than those providing religious training or theological education of an
80 indoctrinating nature.

81 § 23-38.17:1. Prompt crediting and expeditious refunding of funds.

82 Institutions acting as agents for students receiving awards under this program shall promptly credit
83 disbursed funds to student accounts following ~~notification~~ *verification* of eligibility ~~from the Council of~~
84 ~~Higher Education by the relevant institution~~. These institutions shall also expeditiously distribute any
85 refunds due recipients.