

State of Tennessee

PUBLIC CHAPTER NO. 98

HOUSE BILL NO. 188

By Representatives McCormick, Mark White, Hardaway, Powers, Roach, Marsh, Parkinson

Substituted for: Senate Bill No. 194

By Senators Norris, Bowling

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 4, relative to the Tennessee Student Assistance Corporation.

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

SECTION 1. Tennessee Code Annotated, Section 49-4-203(3), is amended by deleting the subsection in its entirety and substituting instead the following language:

(3)

(A) Receive any gifts, contributions and donations from groups or individuals or from corporations or foundations or from Tennessee Student Assistance Corporation program-generated revenues and administer those funds in accordance with rules and regulations promulgated by the corporation;

(B) The Tennessee student assistance corporation shall have authority to establish endowments for the purpose of funding scholarships and name scholarships or programs funded pursuant to gifts, contributions, or donations received pursuant to subdivision (3)(A) for distinguished United States citizens;

(C) All funds received pursuant to subdivision (3)(A) shall be invested as directed by the state treasurer in investments, including, but not limited to, the state pooled investment fund established by §9-4-603 and the intermediate-term investment fund established by §9-4-608 for the benefit of the programs established pursuant to subdivision (3)(A).

and is further amended by deleting subdivision 5(C) and substituting instead the following language:

(5)

(C) The Tennessee academic scholars program endowment shall be invested as directed by the state treasurer in investments, including, but not limited to, the state pooled investment fund established by §9-4-603 and the intermediate-term investment fund established by §9-4-608.

SECTION 2. Tennessee Code Annotated, Title 49, Chapter 4, Part 7, is amended by adding the following language as a new, appropriately designated section:

49-4-708 The Tennessee student assistance corporation shall administer a need-based grant program funded through an endowment for Tennessee citizens seeking an associate's degree or certificate from a public, two-year postsecondary institution under the following terms and conditions:

(1) All funds appropriated for this grant program shall be placed in an endowment fund created solely for the program, the income from which shall be used to provide need-based financial aid for program recipients. The corpus of the endowment

shall not be expended. Any matching funds made available for the program may be, but are not required to be, placed into the endowment;

(2) Funds for the grant will be made available through the accrued interest from the principal of the endowment and from any other such appropriations as may be made;

(3) The corporation shall develop the selection and renewal criteria and shall have the authority to work with outside organizations to develop the most effective means in delivering the grant awards;

(4) Awards made through the grant program shall be applied to the cost of attendance, as defined by the corporation, at any public two-year postsecondary institution in the state of Tennessee;

(5) The endowment shall be invested as directed by the state treasurer in investments, including, but not limited to, the state pooled investment fund established by §9-4-603 and the intermediate-term investment fund established by §9-4-608.

(6) The corporation is authorized to promulgate such rules and regulations as it deems necessary to carry out the purposes of this section. All such rules and regulations shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

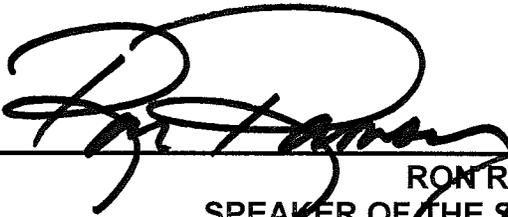
SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

HOUSE BILL NO. 188

PASSED: MARCH 27, 2013



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 11th day of April 2013



BILL HASLAM, GOVERNOR