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Sequence
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 Rule ID(s): 6270
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 date): 7/27/16
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 Date: 1/23/17

Emergency Rule Filing Form

Emergency rules are effective from date of filing for a period of up to 180 days.

Agency/Board/Commission:	Tennessee Student Assistance Corporation
Division:	Higher Education
Contact Person:	Peter Abernathy
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Rule Type:

Emergency Rule

Revision Type (check all that apply):

Amendment

New

Repeal

Statement of Necessity:

Pursuant to T.C.A. 4-5-208(a)(5) the Tennessee Student Assistance Corporation (TSAC) seeks approval of emergency rules for the Community College Reconnect Grant. Public Chapter 363 of 2015, as amended by HB2117, enacts the Community College Reconnect (Reconnect) Grant and revises certain provisions of the Tennessee Lottery Scholarship Program.

The Reconnect Grant will provide a last-dollar scholarship to offset tuition and mandatory fees for adults who want to return to community college and complete their associate's degree. Returning adults must have previously completed a minimum of 30 credit hours and have not attended a postsecondary school for at least twelve months prior to enrollment.

TSAC will distribute a one-time appropriation of \$1.5 million from net lottery proceeds for the Reconnect Grant to public two-year postsecondary institutions based on each institution's percentage of the total nontraditional students enrolled at all public two-year postsecondary institutions. The institutions will then award the grants to eligible students enrolled in each respective institution on a first-come, first-served basis according to rules promulgated by TSAC beginning with the 2016-2017 academic year.

These emergency rules will provide guidance to the community college personnel and other key stakeholders working with adults who are returning to college to complete their degree.

Chapter Number	Chapter Title
1640-01-27	Community College Reconnect Grant
Rule Number	Rule Title
1640-01-27-.01	Definitions
1640-01-27-.02	Scholarship Award Amounts
1640-01-27-.03	Distribution of Funds
1640-01-27-.04	Application Process
1640-01-27-.05	Eligibility
1640-01-27-.06	Terminating Events
1640-01-27-.07	Personal or Medical Leave of Absence
1640-01-27-.08	Reporting Requirements
1640-01-27-.09	Award Made In Error
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1640-01-27-.11	Transfer Students
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New Rules

Chapter 1640-01-27 Community College Reconnect Grant

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1640-01-27-.01 Definitions.

- (1) Board of Regents: The board of regents of the state university and community college system of Tennessee as created under T.C.A. § 49-8-101.
- (2) Continuous Enrollment: The term is defined in T.C.A. § 49-4-902.
- (3) Cumulative Grade Point Average: The grade point average as calculated by the eligible postsecondary institution.
- (4) Degree: A two-year associate degree conferred on students by an eligible postsecondary institution.
- (5) Eligible Postsecondary Institution: An eligible public two-year postsecondary institution operated by the board of regents of the state university and community college system.
- (6) FAFSA: The term is defined in T.C.A. § 49-4-902.
- (7) Gift Aid: The term is defined in T.C.A. § 49-4-708.

- (8) Independent Student: A student who is classified as independent as determined by the FAFSA.
- (9) Satisfactory Academic Progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the eligible postsecondary institution at which the student is currently enrolled.
- (10) Semester: The term is defined in T.C.A. § 49-4-902.
- (11) Semester Hour: The term is defined in TCA 49-4-902.
- (12) Tennessee Resident: A resident of Tennessee as defined by regulations promulgated by the Tennessee Board of Regents.
- (13) Terminating Event: The occurrence of an event described in T.C.A. § 49-4-927(f).
- (14) Title IV: The term is defined in T.C.A. § 49-4-902.
- (15) TSAC: Tennessee Student Assistance Corporation.
- (16) Tuition and Mandatory Fees: Tuition and mandatory fees required for the enrollment or attendance of students at eligible postsecondary institutions that are charged to all students, and shall not include fees charged for the Regents Online Degree Program, online courses, specific programs of study, books, or supplies even if such fees are considered necessary for enrollment.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-708, 49-4-902, and 49-4-927.

1640-01-27-.02 Scholarship Award Amounts.

- (1) The Community College Reconnect Grant is intended to provide financial assistance to offset tuition and mandatory fees associated with pursuing an associate degree at an eligible postsecondary institution after all other gift aid has been credited to tuition and mandatory fees.
- (2) Award amounts for the program shall be determined in accordance with T.C.A. § 49-4-927 and shall be set in the General Appropriations Act.
- (3) All tuition discounts and waivers for which a student qualifies shall first be deducted from the student's tuition and mandatory fees before gift aid is credited.
- (4) All gift aid from sources other than the Community College Reconnect Grant shall be credited first to tuition and mandatory fees to reduce the student's Community College Reconnect Grant award. In any given semester, if all other gift aid exceeds tuition and mandatory fees then the student shall not be eligible for the Community College Reconnect Grant in that semester.
- (5) The receipt of a Community College Reconnect Grant is contingent upon admission to and enrollment in an eligible postsecondary institution. Qualifying for the Community College Reconnect Grant does not guarantee admission to an eligible postsecondary institution.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.03 Distribution of Funds.

- (1) Funds shall be distributed to each eligible postsecondary institution in the form of a block grant. The amount received by the institution will be determined by TSAC and will be calculated using the institution's number of enrolled independent students as a percentage of the total independent student population for all eligible postsecondary institutions.
- (2) Each eligible postsecondary institution shall make awards to eligible applicants on a first-come, first-served basis, determined by the institution. For purposes of the Community College Reconnect Grant, an applicant is eligible for an award if all eligibility requirements of T.C.A. § 49-4-927 have been met and, if selected, completed the verification process.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.04 Application Process.

- (1) Students participating in the Community College Reconnect Grant shall file a FAFSA, or renewal FAFSA, in each year of program participation. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions. Students shall file the FAFSA or renewal FAFSA according to the following deadlines:
 - (a) No later than September 1 for fall enrollment, or
 - (b) No later than February 1 for spring and summer enrollment.
- (2) The FAFSA shall serve as the only application for the Community College Reconnect Grant program. No additional application shall be required.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.05 Eligibility.

- (1) To be eligible to receive a Community College Reconnect Grant a student shall meet the requirements of T.C.A. § 49-4-927(b).
 - (a) A minimum of thirty (30) hours earned prior to enrollment as a Reconnect student shall be applicable to the associate degree the student is pursuing.
- (2) To continue to be eligible to receive a Community College Reconnect Grant a student shall meet the requirements of T.C.A. § 49-4-927(d).
 - (a) A Reconnect student enrolled in the minimum number of hours required by the Community College Reconnect Grant in any semester shall also maintain attendance in the hours enrolled.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.06 Terminating Events.

- (1) A student shall receive the Community College Reconnect Grant until reaching a terminating event as described in T.C.A. § 49-4-927(f).

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.07 Personal or Medical Leave of Absence.

- (1) A student may be granted a medical or personal leave of absence from continuous enrollment at an eligible postsecondary institution as long as all other applicable eligibility criteria are met. Allowable medical or personal reasons may include illness of the student; illness or death of an immediate family member; extreme financial hardship of the student or student's immediate family; fulfillment of a religious commitment encouraged of members of that faith; fulfillment of required military service; or other extraordinary circumstances beyond the student's control where attendance by the student creates a substantial hardship. In the event an institution denies a student's request for a medical or personal leave of absence, the student may appeal the decision in accordance with these rules.
- (2) A student granted a medical or personal leave of absence who resumes attendance at an eligible postsecondary institution may retain the Community College Reconnect Grant if funding remains available. The institution will make a final decision of eligibility and funding availability.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.08 Reporting Requirements.

- (1) The eligible postsecondary institution shall report the following data elements for each recipient to TSAC at the end of each semester:
 - (a) First name,
 - (b) Last name,
 - (c) Social Security Number,
 - (d) Amount of Community College Reconnect Grant received,
 - (e) Enrollment Status (full-time or part-time),
 - (f) Number of hours enrolled at census date,
 - (g) Number of hours at completion of semester,
 - (h) Grade point average,
 - (i) Satisfactory academic progress – Yes / No,
 - (j) Ineligible reason (if student loses award).
- (2) The eligible postsecondary institution shall report other data elements as requested by TSAC for evaluation and analysis of the program.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-903, and 49-4-927.

1640-01-27-.09 Award Made in Error.

- (1) Repayment from the student shall not be required if TSAC determines that the error was through no fault of the student.

- (2) Repayment from the student shall be required if TSAC determines that fraud was committed or the error was due to the fault of the student. When repayment is required, the student may not receive additional student aid from TSAC until repayment is made.
- (3) Repayment from the eligible postsecondary institution will be required if TSAC determines that the error was due to the fault of the institution.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.10 Refund Policy.

- (1) If a recipient of the Community College Reconnect Grant fails to complete a semester for any reason, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the student. The eligible postsecondary institution shall notify TSAC of the refund. The eligible postsecondary institution shall also be responsible for obtaining repayment from the student. The student shall be ineligible for student aid from TSAC until the refund is paid. Funds returned through the refund policy shall be used to make additional awards to students through the Community College Reconnect Grant.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-924, and 49-4-927.

1640-01-27-.11 Transfer Students.

- (1) A student who meets all academic and non-academic requirements of the Community College Reconnect Grant may transfer from one eligible postsecondary institution to another eligible postsecondary institution and maintain the scholarship, provided:
 - (a) The student is able to complete the diploma or associate degree in the amount of time remaining before reaching a terminating event as outlined in T.C.A § 49-4-927(f), and
 - (b) The eligible postsecondary institution receiving the transfer student has sufficient program funding available to fund the remaining hours necessary for the student to complete the diploma or associate degree.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-927.

1640-01-27-.12 Appeal and Exception Process.

- (1) Each eligible postsecondary institution shall use their existing Institutional Review Panel (IRP) for purposes of reviewing and rendering decisions regarding appeals for the Community College Reconnect Grant. The IRP shall use the same procedures and timelines as those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Reg. 1640-01-19.
- (2) TSAC shall use the existing TELS Appeals Panel to consider appeals and render decisions for those students who appeal a decision made by the IRP and for appeals made directly to TSAC. The same guidelines shall exist for appeals of the Community College Reconnect Grant as those that are currently in place for TELS as outlined in Tenn. Comp. R & Reg. 1640-01-19.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-924, and 49-4-927.

The vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent
Governor Haslam, by Mr. Will Cromer	X			
Dr. Russ Deaton	X			
Dr. Claude Pressnell	X			
Mr. David H. Lillard, Jr.	X			
Comptroller Justin P. Wilson by Ms. Shiri Anderson	X			
Commissioner Larry Martin, by Mr. Greg Turner	X			
Commissioner Candice McQueen, by Dr. Danielle Mazera				X
Chancellor David Gregory, by Mr. Dale Sims	X			
Dr. Joe Dipietro, by Dr. India Lane			X	
Mr. Randy Lowry, by Dr. John Smarrelli	X			
Dr. J. Gary Adcox				X
Mr. Richard Smelser	X			
Ms. Keri McInnis				X
Dr. L. LaSimba Gray, Jr.	X			
Mr. Tom Hughes	X			
Ms. Courtney Williams				X

I certify that this is an accurate and complete copy of an emergency rule(s), lawfully promulgated and adopted.

Date: 5/25/16

Signature: [Handwritten Signature]

Name of Officer: Dr. Russ Deaton

Interim Executive Director

Title of Officer: Tennessee Student Assistance Corp.



Subscribed and sworn to before me on: 05-25-2016

Notary Public Signature: [Handwritten Signature]

My commission expires on: 08-23-16

All emergency rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

[Handwritten Signature]
Herbert H. Slatery III
Attorney General and Reporter
7/18/2016
Date

Department of State Use Only

Filed with the Department of State on: 7/27/16

Effective for: 180 *days

Effective through: 1/23/17

* Emergency rule(s) may be effective for up to 180 days from the date of filing.

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[Handwritten Signature]
Tre Hargett
Secretary of State

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The rules for the Community College Reconnect Grant Chapter 1640-01-27, as proposed, will have no projected impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Public Chapter 363 of 2015, as amended by HB2117, enacts the Community College Reconnect (Reconnect) Grant and revises certain provisions of the Tennessee Lottery Scholarship Program.

The Reconnect Grant will provide a last-dollar scholarship to offset tuition and mandatory fees for adults who want to return to community college and complete their associate's degree. Returning adults must have previously completed a minimum of 30 credit hours and have not attended a postsecondary school for at least twelve months prior to enrollment.

TSAC will distribute a one-time appropriation of \$1.5 million from net lottery proceeds for the Reconnect Grant to public two-year postsecondary institutions based on each institution's percentage of the total nontraditional students enrolled at all public two-year postsecondary institutions. The institutions will then award the grants to eligible students enrolled in each respective institution on a first-come, first-served basis according to rules promulgated by TSAC beginning with the 2016-2017 academic year.

As these rules are proposed as new rules there are no changes in previous regulations effectuated by such rule.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

These rules implement the Community College Reconnect Grant authorized in T.C.A. §49-4-927, as amended by HB2117 of 2016. The Reconnect Grant provides financial assistance to adults with some college but no degree to attend a community college in pursuit of an associate's degree.

T.C.A. § 49-4-204 and PC 363 authorize the Tennessee Student Assistance Corporation (TSAC) to promulgate rules to effectuate the purposes of the statute.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

TSAC, the Tennessee Higher Education Commission, Tennessee Board of Regents, and adult learners are most directly affected by these proposed rules.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

There are no opinions of the attorney general and reporter or any judicial ruling that directly relates to these proposed rules.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the

fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

There shall be no increase or decrease in state and local government revenues and expenditures resulting from the promulgation of these rules. The Reconnect Grant will be funded with net lottery proceeds for a total of \$1.5M to be expended during the life of the grant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Peter Abernathy, TSAC Senior Associate Executive Director and Staff Attorney, and Tim Phelps, TSAC Associate Executive Director for Grants and Scholarships.

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Peter Abernathy, TSAC Senior Associate Executive Director and Staff Attorney, and Tim Phelps, TSAC Associate Executive Director for Grants and Scholarships.

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

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- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

There have been no requests for additional information received to-date.