

**Department of State**  
**Division of Publications**  
 312 Rosa L. Parks, 8th Floor Snodgrass/TN Tower  
 Nashville, TN 37243  
 Phone: 615.741.2650  
 Email: publications.information@tn.gov

**For Department of State Use Only**

Sequence  
 Number: 08-04-16  
 Notice ID(s): 2570  
 File Date: 8/4/16

# Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

|                                 |  |
|---------------------------------|--|
| <b>Agency/Board/Commission:</b> | Tennessee Student Assistance Corporation                               |
| <b>Division:</b>                | Higher Education   |
| <b>Contact Person:</b>          | Peter Abernathy  |
| <b>Address:</b>                 | Suite 1510, Parkway Towers, 404 James Robertson Parkway, Nashville, TN |
| <b>Phone:</b>                   | 37243  |
| <b>Email:</b>                   | 615.532.6065   |
|                                 | Peter.Abernathy@tn.gov   |

Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

|                     |  |
|---------------------|--|
| <b>ADA Contact:</b> | Peter Abernathy  |
| <b>Address:</b>     | Suite 1510, Parkway Towers, 404 James Robertson Parkway, Nashville, TN 37243 |
| <b>Phone:</b>       | 615.532.6065   |
| <b>Email:</b>       | Peter.Abernathy@tn.gov   |

**Hearing Location(s)** (for additional locations, copy and paste table)

|                |                             |   |                                  |
|----------------|-----------------------------|---|----------------------------------|
| Address 1:     | Suite 1803, Parkway Towers  |   |                                  |
| Address 2:     | 404 James Robertson Parkway |   |                                  |
| City:          | Nashville                   |   |                                  |
| Zip:           | 37243                       |   |                                  |
| Hearing Date : | 09/26/2016                  |   |                                  |
| Hearing Time:  | 2:00 p.m.                   | <input checked="" type="checkbox"/> CST/CDT | <input type="checkbox"/> EST/EDT |

**Additional Hearing Information:**

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.

The proposed rules are required due to the enactment of Public Chapter 363 of 2015, as amended by HB2117, which enacts the Community College Reconnect (Reconnect) Grant and revises certain provisions of the Tennessee Lottery Scholarship Program.

Emergency Rules have been filed, effective July 27, 2016 through January 23, 2017, to provide guidance to the community college personnel and other key stakeholders working with adults who are returning to college to complete their degree.

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.

The proposed rules may be reviewed at [http://share.tn.gov/sos/rules\\_filings/07-38-16.pdf](http://share.tn.gov/sos/rules_filings/07-38-16.pdf).

Oral or written comments are invited at the hearing. Additionally, written comments may be submitted prior to the public hearing to: Peter Abernathy, Senior Associate Executive Director and Counsel, Suite 1510, Parkway Towers, 404 James Robertson Parkway, Nashville, TN 37243, telephone 615.532.6065, or by email at [Peter.Abernathy@tn.gov](mailto:Peter.Abernathy@tn.gov). However, any written comments submitted prior to the hearing must be received by 4:30 PM CDT, September 25, 2016, to ensure consideration.

**Revision Type (check all that apply):**

- Amendment
- New
- Repeal

| 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                  |
| 1640-01-27-.10 | Refund Policy                        |
| 1640-01-27-.11 | Transfer Students                    |

New Rules

Chapter 1640-01-27  
Community College Reconnect Grant

Table of Contents

|                |   |                |                                 |
|----------------|---|----------------|---------------------------------|
| 1640-01-27-.01 | Definitions                             | 1640-01-27-.08 | Reporting Requirements          |
| 1640-01-27-.02 | Scholarship Award Amounts               | 1640-01-27-.09 | Award Made In Error             |
| 1640-01-27-.03 | Distribution of Funds                   | 1640-01-27-.10 | Refund Policy                   |
| 1640-01-27-.04 | Application Process                     | 1640-01-27-.11 | Transfer Students               |
| 1640-01-27-.05 | Eligibility                             | 1640-01-27-.12 | Appeal and Exception<br>Process |
| 1640-01-27-.06 | Terminating Events                      |                |                                 |
| 1640-01-27-.07 | Personal or Medical Leave of<br>Absence |                |                                 |

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.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: 8-3-16

Signature: *[Handwritten Signature]*

Name of Officer: Mike Krause

Title of Officer: Executive Director



Subscribed and sworn to before me on: 8-3-16

Notary Public Signature: *[Handwritten Signature]*

My commission expires on: 08-23-16

**Department of State Use Only**

Filed with the Department of State on: 8/4/16

*[Handwritten Signature]*

Tre Hargett  
Secretary of State

RECEIVED  
2016 AUG -4 PM 4:24  
SECRETARY OF STATE  
PUBLICATIONS