

Public Necessity Rules  
of the  
Tennessee Student Assistance Corporation

Statement of Necessity Requiring Public Necessity Rules

Pursuant to T.C.A. §49-4-924, the Tennessee Student Assistance Corporation (TSAC) is authorized to promulgate public necessity rules to implement the Tennessee Education Lottery Scholarship Program (TELS Program). These rules are being promulgated as public necessity rules to implement statutory changes to the TELS Program required by Chapters 869, 974 and 980 of the 2006 Tennessee Public Acts and to implement other technical changes to the Program deemed necessary by TSAC. Effective implementation of these rules precludes the use of other rulemaking procedures described in Tennessee Code Annotated, Title 4, Chapter 5 for the promulgation of permanent rules.

For a copy of the entire text of the public necessity rules, contact: Thomas R. Bain, Associate Executive Director for Compliance and Legal Affairs, Tennessee Student Assistance Corporation, Suite 1510, 404 James Robertson Parkway, Nashville, TN 37243-0820, 615-253-7476.

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Public Necessity Rules  
of the  
Tennessee Student Assistance Corporation

Chapter 1640-1-19

Tennessee Education Lottery Scholarship Program

The text of the proposed public necessity rules is as follows:

Amendments

Subparagraph (d) of paragraph (17) of rule 1640-1-19-.01 Definitions is amended by deleting the current language in its entirety and substituting the following language so that as amended the subparagraph shall read:

- (17) (d) An out-of-state public secondary school located in a county bordering Tennessee that Tennessee residents are authorized to attend under T.C.A. § 49-6-3108, anything in rule 1640-1-19.05 (11) to the contrary notwithstanding; or

Authority: See below.

Paragraph (48) of rule 1640-1-19-.01 Definitions is amended by deleting the word “public” within the text so that as amended the paragraph shall read:

- (48) Tennessee HOPE Foster Child Tuition Grant: A grant in addition to the Tennessee HOPE Scholarship to a foster child to only be used towards the costs of tuition, maintenance fees,

student activity fees and required registration or matriculation fees at the eligible postsecondary institution the student attends.

Authority: See below.

Paragraph (55) of rule 1640-1-19-.01 Definitions is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (55) Weighted Grade Point Average: Grade point average on a 4.0 scale calculated with additional quality points added to the unweighted grade point average for advanced placement, honors, and dual enrollment courses and other similar courses as those courses are defined by the high school.

Authority: T.C.A. §§49-4-201, 49-4-902, 49-4-924 and 2006 Tenn. Pub. Acts Ch. 869.

Paragraph (2) of Rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by deleting the current language in its entirety and adding the following language so that as amended the paragraph shall read:

- (2) Award levels for a full-time student in the 2006-2007 academic year are as follows:
- (a) Tennessee HOPE Scholarship:
    - 1. One thousand nine hundred dollars (\$1,900) per semester, maximum three thousand eight hundred dollars (\$3,800) at four year institutions; and
    - 2. Nine-hundred fifty dollars (\$950) per semester, maximum one thousand nine hundred dollars (\$1,900) at two year institutions.
  - (b) Tennessee ASPIRE Award:
    - 1. Seven hundred fifty dollars (\$750) supplement to base award per semester, maximum one thousand five hundred dollars (\$1,500).
  - (c) General Assembly Merit Scholarship:
    - 1. Five hundred dollars (\$500) supplement to base award per semester, maximum one thousand dollars (\$1,000).
  - (d) Tennessee HOPE Access Grant (one half each of the Tennessee HOPE Scholarship and ASPIRE Award):
    - 1. One thousand three hundred twenty-five dollars (\$1,325) per semester, maximum two thousand six hundred fifty dollars (\$2,650) at four year institutions; and
    - 2. Eight hundred fifty dollars (\$850) per semester, maximum one thousand seven hundred dollars (\$1,700) at two year institutions.
  - (e) Wilder-Naifeh Technical Skills Grant:
    - 1. One thousand five hundred dollars (\$1,500) maximum at Tennessee Technology Centers.

(f) Tennessee Dual Enrollment Grant:

1. One hundred dollars (\$100) per semester hour (or equivalent contact hours at technology centers) for a maximum award of three hundred dollars (\$300) per semester and six hundred dollars \$600 per academic year.

Authority: See below.

Paragraph (3) of rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by adding "T.C.A." within the text so that as amended the paragraph shall read:

- (3) Award amounts for subsequent years shall be determined in accordance with T.C.A. §4 -51-111 and shall be set in the general appropriations act.

Authority: See below.

Paragraph (4) of rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (4) Recipients of any TELS award as provided by these rules, except for the Tennessee Dual Enrollment Grant described in Rule 1640-1-19-.11 and the Wilder-Naifeh Technical Skills Grant described in Rule 1640-1-19-.10, may enroll as a full-time or part-time student at any eligible postsecondary institution. The amount of the award for part-time students shall be based on the hours attempted. Students enrolled in six, seven or eight hours will receive half of the award of full-time students. Students enrolled in nine, ten or eleven hours will receive three quarters of the award of a full-time student.

Authority: See below.

Paragraph (5) of rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (5) Except for approved medical or personal leaves of absence as provided in Rule 1640-1-19-.20 or emergency military duty as provided in Rule 1640-1-19-.21, award recipients must be continuously enrolled and maintain satisfactory academic progress at an eligible postsecondary institution.

Authority: See below.

Paragraph (8) of rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (8) The receipt of a Tennessee HOPE Scholarship, Tennessee HOPE Access Grant, Tennessee ASPIRE Award, Tennessee HOPE Foster Child Grant, General Assembly Merit Scholarship or Tennessee Dual Enrollment Grant is contingent upon admission and enrollment at an eligible postsecondary institution. Academically qualifying for any of these awards program does not guarantee admission to an eligible postsecondary institution.

Rule 1640-1-19-.02 Scholarship Award Amounts and Classifications is amended by adding the following language as paragraph (9) so that as amended the rule shall read:

- (9) Tennessee HOPE Foster Child Tuition Grant amounts shall be specified in Rule 1640-1-19-.09.

Authority: T.C.A. §§49-4-201, 49-4-903, 49-4-912, 49-4-914, 49-4-915, 49-4-916, 49-4-919, 49-4-920, 49-4-921, 49-4-922, 49-4-924 and 2006 Tenn. Pub. Acts ch. 869, 974.

Rule 1640-1-19.04 General Eligibility is amended by deleting the current language in its entirety and substituting the following language so that as amended the rule shall read:

- (1) To be eligible for a TELS award a student shall:
- (a) Be a Tennessee citizen; and
  - (b) Be a Tennessee resident, as defined by Chapter 0240-2-2, Classifying Students In-State and Out-of-State, as promulgated by the Board of Regents, for one year as of September 1 of the academic year of enrollment in an eligible postsecondary institution; students enrolling in a Tennessee Technology Center must be a Tennessee resident one year prior to date of term enrollment; and
  - (c) Make application for a TELS award by submitting the FAFSA or Renewal FAFSA as required by Rule 1640-1-19-.03, and
  - (d) Be admitted to an eligible postsecondary institution; and
  - (e) Comply with United States Selective Service System requirements for registration, if such requirements are applicable to the student; and
  - (f) Be in compliance with federal drug-free rules and laws for receiving financial assistance; and
  - (g) Meet each qualification relating to the relevant TELS award and applicable to the student; and
  - (h) Not be in default on a federal Title IV educational loan or Tennessee educational loan; and
  - (i) Not owe a refund on a federal Title IV student financial aid program or a Tennessee student financial aid program; and
  - (j) Not be incarcerated.

Authority: T.C.A. §§49-4-201, 49-4-904, 49-4-905, and 49-4-924.

Rule 1640-1-19-.05 Eligibility – Tennessee HOPE Scholarship is amended by deleting the current language in its entirety and substituting the following language so that as amended the rule shall read:

- (1) This paragraph applies to student eligibility requirements as amended effective July 1, 2007. To be eligible for a Tennessee HOPE Scholarship as an entering freshman, a student, who graduated from an eligible high school after December 1, 2003, upon having completed curriculum requirements of the high school for graduation, shall:
- (a) Meet the requirements of §§49-4-904 and 49-4-905; and

- (b) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after graduation from high school; and
  - (c) Achieve a final overall weighted high school grade point average of at least 3.0; or
  - (d) Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date.
- (2) This paragraph applies to student HOPE Scholarship eligibility as an entering freshman for students graduating from an eligible high school, or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements after December 1, 2004, but prior to postsecondary enrollment as of June 30, 2007. To be eligible for the HOPE award, the student must:
- (a) Meet the general eligibility requirements of Rule 1640-1-19-.04; and
  - (b) No later than 16 months following completion of the respective high school requirements:
    - 1. Apply for a Tennessee HOPE Scholarship as provided by Rule 1640-1-19-.03; and
    - 2. Enroll in an eligible postsecondary institution; and
    - 3. Satisfy one of the following requirements:
      - (i) Achieve a final overall unweighted high school grade point average of at least 3.0; or
      - (ii) Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a postsecondary institution; or
      - (iii) Pass the GED tests with an average score of at least 525, and attain a composite ACT score of at least 21 on any single ACT test date, or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a postsecondary institution.
- (3) This paragraph applies to student HOPE Scholarship eligibility as an entering freshman for students graduating from an eligible high school after December 1, 2003, but prior to December 1, 2004. To be eligible for the HOPE award, the student must:
- (a) Meet the general requirements of Rule 1640-1-19-.04; and
  - (b) Apply for a Tennessee HOPE Scholarship as provided in Rule 1640-1-19-.03; and
  - (c) Enroll in an eligible postsecondary institution; and
  - (d) Satisfy one of the following requirements:
    - 1. Achieve a final overall unweighted high school grade point average of at least 3.0; or
    - 2. Attain a composite ACT score of at least 19 on any single ACT test date, or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a postsecondary institution.

- (4) This paragraph, effective as of December 1, 2004, applies to student HOPE Scholarship eligibility as an entering freshman for students completing a Tennessee home school program, obtaining a GED, graduating from a Tennessee high school that is not an eligible high school, or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements. To be eligible for the HOPE award, the student must:
  - (a) Meet the general eligibility requirements of Rule 1640-1-19-.04; and
  - (b) No later than 16 months following completion of the respective high school requirements:
    1. Apply for a Tennessee HOPE Scholarship as provided in Rule 1640-1-19-.03; and
    2. Enroll in an eligible postsecondary institution; and
    3. Satisfy one of the following requirements:
      - (i) Attain a composite ACT score of at least 21 on any single ACT test date, or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a postsecondary institution, if such student completed high school in a Tennessee home school program or graduated from a high school located in Tennessee that is not an eligible high school; or
      - (ii) Pass the GED tests with an average score of at least 525, and attain a composite ACT score of at least 21 on any single ACT test date, or a combined SAT score of at least 980 on any single SAT test date taken prior to enrolling in a post secondary institution.
- (5) This paragraph applies to student HOPE Scholarship eligibility as an entering freshman for students completing high school after January 1, 2003, but prior to December 1, 2003. HOPE award eligibility requirements for various student subgroups are as follows:
  - (a) Students graduating from an eligible high school shall, no later than the fall semester immediately following graduation, be required to:
    1. Apply for a Tennessee HOPE Scholarship as provided by Rule 1640-1-19-.03; and
    2. Enroll in an eligible postsecondary institution; and
    3. Satisfy one of the following requirements:
      - (i) Achieve a final overall unweighted high school grade point average of at least 3.0; or
      - (ii) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a postsecondary institution.
  - (b) Students completing high school in a Tennessee home school program, graduating from a high school located in Tennessee that is not an eligible high school, or choosing to seek enrollment in a postsecondary institution in lieu of completing high school requirements shall, no later than the fall semester immediately following graduation, completion of the home school program, or the last class taken toward high school requirements shall be required to:
    1. Apply for a Tennessee HOPE Scholarship as provided by Rule 1640-1-19-.03; and

2. Enroll in an eligible postsecondary institution; and
3. Satisfy one of the following requirements:
  - (i) Achieve a final overall unweighted high school grade point average of at least 3.0; or
  - (ii) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single test date taken prior to enrolling in a postsecondary institution.
- (c) Students obtaining a GED shall pass the GED tests with an average score of at least 525 and shall, no later than the fall semester immediately following obtaining a GED, be required to:
  1. Apply for a Tennessee HOPE Scholarship as provided by Rule 1640-1-19-.03; and
  2. Enroll in an eligible postsecondary institution; and
  3. Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date taken prior to enrolling in a postsecondary institution.
- (d) All students meeting the requirements of subparagraph (5)(a), (b), or (c) of this rule, shall also meet each of the following criteria:
  1. Attend an eligible postsecondary institution or a postsecondary institution located outside of Tennessee that is accredited by a regional accrediting association during the 2003-2004 academic year without a Tennessee HOPE Scholarship and complete at least twenty-four (24) semester hours at such institution with a cumulative grade point average of 2.75; and
  2. Maintain satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student enrolled.
- (6) Students entering active duty in the United States Armed Services within two years after graduating from an eligible high school, graduating from a high school located in Tennessee that is not an eligible high school, completing high school in a Tennessee home school program or obtaining a GED, and otherwise meets the criteria outlined in this rule may apply for a TELS award if the student:
  - (a) Applies within seven years of the student's date of entry into military service, or within one year of the student's honorable discharge from military service, whichever comes first; and
  - (b) After graduation from high school, did not attend a postsecondary institution prior to entering military service.
- (7) This paragraph shall apply to a student who is the dependent child of a military parent or the dependent child of a full-time religious worker.
  - (a) Students who are a Tennessee citizen and a dependent child of a military parent may be eligible for a Tennessee HOPE Scholarship as an entering freshman as provided in this subparagraph.

1. Such students may be eligible if they meet all eligibility requirements for a HOPE Scholarship except that:
  - (i) While the parent is a military parent, the student does not reside in Tennessee immediately preceding the date of application for financial assistance; and
  - (ii) The student did not graduate from an eligible high school as defined in rule 1640-1-19-.01(17), an ineligible high school, a Tennessee home school or obtain a GED.
2. Students who graduated from a high school outside of Tennessee may nevertheless be eligible if the high school was:
  - (i) Operated by the United States; or
  - (ii) Accredited by the appropriate regional accrediting association for the state in which the school is located; or
  - (iii) Accredited by an accrediting association recognized by the foreign nation in which the school is located.
3. Students graduating from high schools outside Tennessee who do not meet the requirements of part 2. of subparagraph (a) may still be eligible for the HOPE Scholarship if they completed high school in a home school program or obtained a GED.
4. For purposes of this subparagraph (a), the following definitions apply:
  - (i) “Dependent child” means a natural or adopted child or stepchild whom a military parent claims as a dependent for federal income tax purposes; who is under twenty-one (21) years of age; and who resides in another state or nation only while the military parent is engaged in active military service, on full-time national guard duty, or actively employed by the U.S. Department of Defense.
  - (ii) “Military parent” means a parent of a dependent child who is:
    - (I) A member of the armed forces engaged in active U.S. military service and stationed on active duty outside Tennessee; or
    - (II) A member of the Tennessee National Guard engaged in active U.S. military service and stationed on active duty outside Tennessee; or
    - (III) A full-time civilian employee of the Department of Defense working outside Tennessee.
  - (iii) “Tennessee National Guard” means any federally recognized unit of the Tennessee Army or Air National Guard.
5. Subparagraph (a) shall only apply to:
  - (i) Dependent children of members of the armed forces or Tennessee National Guard whose home of record, at the time of entry into military service, is Tennessee; and

- (ii) Dependent children of full-time civilian employees of the U.S. Department of Defense, who are Tennessee residents.
  - (b) A student who is a Tennessee citizen and a dependent child of a full-time religious worker may be eligible for a Tennessee HOPE Scholarship as an entering freshman as provided in this subparagraph.
    - 1. Such student must meet all HOPE Scholarship eligibility requirements except that:
      - (i) While the student's parent is serving in another nation as a religious worker, the student does not reside in Tennessee immediately preceding the date of application for financial assistance; and
      - (ii) The student did not graduate from an eligible high school as defined in rule 1640-1-19-.01(17), an ineligible high school, a Tennessee home school or obtain a GED.
    - 2. To be eligible for the HOPE Scholarship under this subparagraph (b), the student must:
      - (i) Graduate from a high school in the foreign nation where the student's parent is a religious worker that is accredited by a regional accrediting association as defined by § 49-4-902(24) and meet the academic eligibility requirements of § 49-4-907(3); or
      - (ii) Complete high school in a home school in the foreign nation where the student's parent is a religious worker and meet the academic requirements of § 49-4-908(2)(A).
    - 3. As used in this subparagraph (b):
      - (i) "Dependent child" means a natural or adopted child or stepchild whom the parent, who is a religious worker, claims as a dependent for federal income tax purposes; who is under twenty-one (21) years of age; and who resides in another nation only while the parent is actively engaged in full-time religious work; and
      - (ii) "Religious worker" means a person sent to another country by a church, religious denomination or other religious organization to spread its faith or to do social or medical work.
    - 4. Subparagraph (b) only applies to dependent children of religious workers who are engaged in full-time religious work in another nation for more than one (1) year and who were Tennessee residents before leaving the U.S. to do religious work and intend to return to Tennessee upon completion of their assignment as a religious worker.
- (8) Beginning with the Fall 2005 semester a non-traditional student who is an entering freshman, as those terms are defined in these rules, may become eligible for a Tennessee HOPE Scholarship. In addition to the general eligibility requirements of Rule 1640-1-19-.04, the non-traditional student must have an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000) and attend an eligible postsecondary institution as a full- or part-time student, as those terms are defined in these rules, and attempt at least twenty-four (24) semester hours. If the student achieves a 2.75 grade point average at the end of the semester in which twenty-four (24) hours are attempted, the student shall be eligible for a Tennessee HOPE Scholarship in subsequent semesters if the following additional requirements are met:
  - (a) Applies for the Tennessee HOPE Scholarship as provided in Rule 1649-1-19-.03;

- (b) Has an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000);
  - (c) Is continuously enrolled in an eligible postsecondary institution as a full- or part-time student, as those terms are defined in these rules;
  - (d) Meets the applicable retention requirements of Rule 1640-1-19-.12; and
  - (e) Maintains satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs at the postsecondary institution attended.
- (9) A non-traditional student who does not meet the grade point average requirement of paragraph (8) of this rule, shall be eligible for a Tennessee HOPE Scholarship if the student achieves a cumulative grade point average of at least 3.0 at the end of any semester in which eligibility is reviewed under Rule 1640-1-19-.12, provided the student continues to meet the provisions of paragraph (8)(a), (b), (c), and (e) of this rule.
- (10) A non-traditional student shall not be eligible for either the ASPIRE Award or the General Assembly Merit Scholarship award.
- (11) HOPE Scholarship eligibility for students graduating from a high school located in a neighboring state in a county contiguous to Tennessee is as follows:
- (a) Students are eligible for a Tennessee HOPE Scholarship as an entering freshman notwithstanding the provisions of T.C.A. §49-4-905(b)(2), if the student:
    - 1. Is a citizen of Tennessee; and
    - 2. Has been a Tennessee resident, as defined by the Tennessee Board of Regents regulations promulgated under §49-8-104, for one (1) year immediately preceding the date of graduation from high school, and remains a Tennessee resident between graduation from high school and enrollment in an eligible postsecondary institution; and
    - 3. Is not ineligible for the scholarship under §49-4-904; and
    - 4. Attains a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date; and
    - 5. Applies for a Tennessee HOPE Scholarship; and
    - 6. Is admitted to and enrolls in an eligible postsecondary institution no later than sixteen (16) months after graduating from high school.
  - (b) Students who are eligible for a HOPE Scholarship under Rule 1640-1-19-.05(11)(a) shall not be eligible for a General Assembly Merit Scholarship.
  - (c) Such students, if they chose to attend a regionally accredited postsecondary institution located outside of Tennessee without a HOPE Scholarship, may be eligible for a HOPE Scholarship as a transfer student. However, the student must meet all requirements of T.C.A. §49-4-929 other than any requirements pertaining to the type of high school from which the student graduated.

- (d) This rule, 1640-1-19-.05(11) shall not be interpreted to make an out-of-state public secondary school located in a county bordering Tennessee that Tennessee residents are authorized to attend under T.C.A. §49-6-3108, an ineligible high school.

Authority: T.C.A. §§49-4-201, 49-4-905, 49-4-907, 49-4-908, 49-4-909, 49-4-910, 49-4-918, 49-4-924, 49-4-926, 2005 Tenn. Pub. Acts ch. 481, §§2-11, 13, 18-21, 26 and 30 and 2006 Tenn. Pub. Acts ch. 974, §§4-6.

Rule 1640-1-19-.06 Eligibility – Tennessee ASPIRE Award is amended by deleting the citation “1640-1-19-.05(9)” in the body of the text and substituting “1640-1-19-.05(10)” so that as amended the rule shall read:

Except as provided in 1640-1-19-.05(10), any student eligible for the Tennessee HOPE Scholarship with an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000) will receive ASPIRE Award in addition to the base award. The adjusted gross income attributable to the student shall be reviewed each academic year to determine continuing eligibility for the ASPIRE Award. Notwithstanding the provisions of Rule 1640-1-19-.12 to the contrary, a student otherwise eligible for the Tennessee HOPE Scholarship and meeting the requirements of this rule shall receive the ASPIRE Award regardless of the student’s eligibility for this grant in any prior year. A student eligible for both the ASPIRE Award and the General Assembly Merit Scholarship shall be awarded the ASPIRE Award, but shall not simultaneously receive both awards.

Authority: T.C.A. §§49-4-201, 49-4-915, 49-4-917, 49-4-924, and 2005 Tenn. Pub. Acts ch. 481, §29.

Rule 1640-1-19-.07 Eligibility – General Assembly Merit Scholarship is amended by adding the following language as paragraph (4) so that as amended the rule shall read:

- (4) A student eligible for a Tennessee HOPE Scholarship under Rule 1640-1-19-.05(11) shall not be eligible for a General Assembly Merit Scholar supplemental award under §49-4-916.

Authority: T.C.A. §§49-4-201, 49-4-916, 49-4-917, 49-4-924 and 2006 Tenn. Pub. Acts ch. 974, §6.

Paragraph (1) of Rule 1640-1-19-.08 Eligibility – Tennessee Hope Access Grant is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE Access Grant a student shall:
- (a) Have an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000);
  - (b) Apply for a Tennessee HOPE Access Grant as provided in Rule 1640-1-19-.03;
  - (c) Graduate from an eligible high school after December 1, 2003, upon having completed curriculum requirements of the high school for graduation;
  - (d) Achieve a final overall unweighted high school grade point average of at least 2.75;
  - (e) Attain a composite ACT score of at least 18 on any single ACT test date or a combined SAT score of at least 860 on any single SAT test date taken prior to enrolling in a postsecondary institution; and

- (f) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after graduation from high school.

Authority: T.C.A. §§49-4-201, 49-4-920 and 49-4-924.

Rule 1640-1-19-.09 Eligibility – Tennessee Hope Foster Child Grant is amended by deleting the current language in its entirety and substituting the following language so that as amended the rule shall read:

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04 and the applicable eligibility requirements of the Tennessee HOPE Scholarship and the Tennessee HOPE Access Grant, to be eligible for a Tennessee HOPE Foster Child Grant, a student shall present the Corporation with official certification from the Department of Children’s Services that the student meets the eligibility requirement for the tuition grant.
- (2) Applicants shall apply for all available financial aid, including grants, scholarships, loans, work-study, and funds provided through the Federal Foster Care Independence Act of 1999 (Chafee Education and Training Voucher).
- (3) The amount of the grant shall equal the Cost of Attendance less all other student financial assistance from all sources, subject to the following limitations:
  - (a) At a public postsecondary institution, the grant shall not exceed the cost of tuition and mandatory fees.
  - (b) At an independent postsecondary institution, the grant shall not exceed the statewide weighted average cost of tuition and mandatory fees applicable at a 2-year or 4-year public postsecondary institution.
- (4) Subject to meeting retention standards provided by these rules for a TELS award, the student shall be eligible for the Tennessee HOPE Foster Child Tuition Grant:
  - (a) For a period of no more than four (4) years after the date of graduation from high school or equivalent; and
  - (b) For a period of six (6) years after admittance to an eligible postsecondary institution, if, except as provided by Rule 1640-1-19-.20 or 1640-1-19-.21, the student maintains satisfactory progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution in which the student is currently enrolled.
- (5) Nothing in these rules shall be construed to guarantee acceptance by, or entrance into, any eligible postsecondary institution for youth in, or formerly in, the custody of the state or limit the participation of a youth in, or formerly in, the custody of the state in any other program of financial assistance for postsecondary education.

Authority: T.C.A. §§49-4-201, 49-4-924, 2005 Tenn. Pub. Acts ch. 481, §33 and 2006 Tenn. Pub. Acts ch. 869, §2.

Paragraph (1) of Rule 1640-1-19-.11 Eligibility – Tennessee Dual Enrollment Grant is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (1) To be eligible for a Tennessee Dual Enrollment grant a student shall:
  - (a) Be a Tennessee citizen; and
  - (b) Be a Tennessee resident, as defined by Chapter 0240-2-2, Classifying Students In-State and Out-of-State, as promulgated by the Board of Regents, for one year as of September 1 of the academic year of enrollment in an eligible postsecondary institution; students enrolling in a Tennessee Technology Center must be a Tennessee resident one year prior to date of term enrollment; and
  - (c) Be admitted to an eligible postsecondary institution; and
  - (d) Not be incarcerated.

Authority: T.C.A. §§49-4-201, 49-4-924 and 2005 Tenn. Pub. Acts ch. 481.

Paragraph (7) of rule 1640-1-19-.12 Retention of Awards – General Requirements is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (7) The provisions of paragraph (6) of this rule shall also apply to any student who:
  - (a) Completed high school requirements after December 1, 2003, who, for whatever reason, did not receive a TELS award, notwithstanding the fact that the student met the applicable initial eligibility requirements of Rule 1640-1-19-.05 (2), (3), or (4); or
  - (b) Completed high school requirements after January 1, 2003 and prior to December 1, 2003, who completed at least twenty-four (24) semester hours during the 2003-2004 academic year with a cumulative grade point average under 2.75, but met all other applicable initial eligibility requirements of Rule 1640-1-19-.05(5), and is otherwise eligible for the award.

Authority: T.C.A. §§49-4-201, 49-4-909, 49-4-911, 49-4-912, 49-4-913, 49-4-920, 49-4-921, 49-4-924, and 2005 Tenn. Pub. Acts ch. 481.

Subparagraph (a) of paragraph (2) of rule 1640-1-19-.22 Calculation of Postsecondary Cumulative Grade Point Average is amended by deleting the current language in its entirety and substituting the following language so that as amended the subparagraph shall read:

- (2) (a) A student shall have a one time option to repeat one course and utilize only the higher of the two grades in the calculation of their postsecondary grade point average for purposes of determining continued eligibility for a TELS award. The semester hours for both attempted courses, however, will be included in the one hundred twenty (120) semester hours limitation.

Authority: See below.

Paragraph (3) of rule 1640-1-19-.22 Calculation of Postsecondary Cumulative Grade Point Average is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (3) Credit hours attempted prior to high school graduation, completion of a home school program in Tennessee or GED attainment, including those attempted with the Tennessee dual

enrollment grant, do not count toward the limitation on semester hours provided in Rule 1640-1-19-.12(3), nor are the grades for those classes included in the postsecondary cumulative grade point average.

Authority: T.C.A. §§49-4-201, 49-4-903, 49-4-924, and 2005 Tenn. Pub. Acts ch. 481.

Rule 1640-1-19-.23 Transfer Students is amended by deleting the current language in its entirety and substituting the following language so that as amended the rule shall read:

- (1) A TELS recipient transferring from an eligible postsecondary institution to another is eligible for a TELS award if all eligibility requirements continue to be met at the postsecondary institution at which the student is currently enrolled.
- (2) Any student who was otherwise eligible for a TELS award upon completion of high school requirements based on the applicable provisions of these rules, but who enrolled in a regionally accredited out-of-state postsecondary institution may transfer to an eligible Tennessee postsecondary institution and receive a TELS awards. Any such student must meet the following:
  - (a) Maintain continuous enrollment and satisfactory academic progress; and
  - (b) If enrolled full-time at the beginning of a semester, student must not drop to part-time enrollment within that semester; or
  - (c) If enrolled part-time at the beginning of a semester, student must not drop to less than part-time enrollment within that semester.
- (3) Any student who was initially eligible for a Tennessee HOPE Scholarship or HOPE Access Grant but who instead of enrolling at either an eligible 2-year or 4-year postsecondary institution enrolled at a Tennessee Technology Center and obtained the Wilder-Naifeh Technical Skills Grant and completed a diploma program is eligible for a HOPE Scholarship at either an eligible 2-year or 4-year postsecondary institution. The student must apply for a HOPE Scholarship within three (3) years of completing the diploma program.
- (4) Hours taken by a student at a Tennessee Technology Center towards a diploma shall not count under the provisions of § 49-4-913 or § 49-4-920 as semester hours attempted for the purposes of calculating the number of semester hours for which a student may receive a Tennessee HOPE Scholarship, General Assembly Merit Scholarship or Tennessee HOPE Access Grant.

Authority: T.C.A. §§49-4-201, 49-4-910, 49-4-911, 49-4-924, 2005 Tenn. Pub. Acts ch. 481, §14 and 2006 Tenn. Pub. Acts ch. 980.

Paragraph (1) of rule 1640-1-19-.26 Appeal and Exception Process is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (1) Each eligible postsecondary institution shall establish an Institutional Review Panel (IRP) for the purposes of hearing appeals from decisions denying or revoking applicants' TELS award. Each eligible postsecondary institution shall establish written procedures for an applicant or recipient to appeal a decision of an eligible postsecondary institution to deny or revoke a TELS award. These procedures shall include, but not be limited to, the establishment and composition of the IRP and the process and timelines for appeals to the IRP. Each eligible

postsecondary institution shall also establish a process to ensure students applying for or receiving a TELS award are notified of the procedures to appeal the denial or revocation of a TELS award including the timeframe within which an appeal must be filed with the TELS Award Appeals Panel. No eligible postsecondary institution official rendering a decision to deny or revoke a TELS award shall participate in the appeal process for the same applicant or recipient. The IRP may award or reinstate the student's TELS award without a hearing and shall make such determination no later than fourteen (14) calendar days after an applicant or recipient properly files an appeal. If the IRP determines that a hearing is required the IRP shall hear the appeal no later than fourteen (14) calendar days after an applicant or recipient properly files an appeal. Except where exigent circumstances exist, the IRP shall render a decision no later than seven calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision and reasons for the decision. The IRP shall provide a copy of the written decision to the appellant as soon as practicable. For the purposes of this rule, it will be presumed that the decision was delivered to the appellant two calendar days after the decision was placed in the U.S. Postal Service addressed to the appellant's official mailing address according to the eligible postsecondary institution's records.

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

Paragraph (2) of rule 1640-1-19-.26 Appeal and Exception Process is amended by deleting the current language in its entirety and substituting the following language so that as amended the paragraph shall read:

- (2) The Appeals Panel shall be appointed by the Corporation's Executive Director for purpose of hearing appeals from decisions rendered by the IRPs. No official of an eligible postsecondary institution shall sit as a member of the Appeals Panel where the denial or revocation being appealed involves such official's eligible postsecondary institution. A student seeking an appeal of a decision rendered by an IRP shall request an appeal, to include a written statement outlining the basis for the appeal as well as all pertinent information related to the appeal, with the Corporation within forty-five (45) calendar days from the date that the decision was delivered to the student. A complete record of the institutional IRP hearing shall be provided to the Corporation by the student. The Appeals Panel may award or reinstate the student's TELS award without a hearing. This decision shall be made no later than 30 calendar days after an appeal is properly filed and the record from the IRP hearing is received. If the Appeals Panel determines that a hearing is required, it shall provide the appellant with notice of the hearing date, and such notice shall include the time and location of the hearing. The Appeals Panel shall hear the appeal no later than forty-five (45) calendar days after the appeal is properly filed, unless an extension is requested by the appellant and granted by the Appeals Panel. Except where exigent circumstances exist, the Appeals Panel shall render a decision no later than fourteen (14) calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision. The Appeals Panel shall provide a copy of the written decision to the appellant and the appellant's home institution as soon as practicable. The Appeals Panel is the final administrative appeal.

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

The public necessity rules set out herein were properly filed in the Department of State on the 30th day of November, 2006, and will be effective from the date of filing for a period of 165 days. These public necessity rules will remain in effect through the 14th day of May, 2007.