

1 SB101
2 133098-1
3 By Senators Orr and Pittman
4 RFD: Finance and Taxation Education
5 First Read: 05-FEB-13

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8 SYNOPSIS: Existing law does not provide incentives for
9 students to graduate early from high school to
10 attend an institution of higher education.

11 This bill would create the early graduation
12 scholarship program to provide a scholarship to any
13 qualifying student who graduates at the 11th grade
14 level and attends a two-year or four-year
15 institution of higher education in the state.

16 This bill would provide for the duties of
17 the State Department of Education and the Alabama
18 Commission on Higher Education in administering the
19 program.

20 This bill would also provide for funding of
21 the program through Foundation Program funds
22 allocated for the student to his or her high
23 school.

24
25 A BILL
26 TO BE ENTITLED
27 AN ACT

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2 To establish the early graduation scholarship
3 program to provide scholarship grants to students graduating
4 from high school a semester or year early to attend two-year
5 or four-year institutions of higher education or vocational
6 school in this state; to provide for the duties of the State
7 Department of Education and the Alabama Commission on Higher
8 Education in administering the program; to provide
9 qualifications for the grant of scholarship funds; to provide
10 that scholarship funds shall come from Foundation Program
11 funds of the high school of the student; and to establish the
12 Early Graduation Scholarship Program Fund.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. (a) Each school district that provides
15 instruction in grades 9 to 12, inclusive, in this state shall
16 participate in and promote to students an early graduation
17 scholarship program.

18 (b) The Alabama Commission on Higher Education shall
19 develop application forms, procedures, and deadlines to
20 implement and administer the early graduation scholarship
21 program, in conjunction with the State Department of
22 Education, and shall select eligible students each year for
23 participation in the program. The school district that the
24 student attends shall notify the department and the commission
25 when a student graduates at least one semester before his or
26 her scheduled graduation date.

1 (c) (1) Participating full-time students who graduate
2 at least one year early shall receive a scholarship grant in
3 an amount not to exceed one thousand two hundred fifty dollars
4 (\$1,250), or the actual cost of tuition, books, and fees,
5 whichever is less, in the first academic year of postsecondary
6 instruction, and an amount not to exceed seven hundred fifty
7 dollars (\$750), or the actual cost of tuition, books, and
8 fees, whichever is less, in the second academic year of
9 postsecondary instruction. Scholarship monies shall be used to
10 pay all or a portion of the tuition, books, and fees charged
11 at a qualifying postsecondary institution for a maximum of two
12 academic years, which shall be completed within 36 months
13 after the actual graduation date of the student from high
14 school. The amount of a scholarship grant awarded to a
15 participating part-time student enrolled at least half-time
16 for the school year, shall be prorated in accordance with the
17 part-time status of the student.

18 (2) Participating full-time students who graduate
19 one semester early shall receive a scholarship grant in an
20 amount not to exceed one thousand dollars (\$1,000), or the
21 actual cost of tuition, books, and fees, whichever is less, in
22 the first academic year of postsecondary instruction, and an
23 amount not to exceed five hundred dollars (\$500), or the
24 actual cost of tuition, books, and fees, whichever is less, in
25 the second academic year of postsecondary instruction.
26 Scholarship monies shall be used to pay all or a portion of
27 the tuition, books, and fees charged at a qualifying

1 postsecondary institution for a maximum of two academic years,
2 which shall be completed within 36 months after the actual
3 graduation date of the student from high school. The amount of
4 a scholarship grant awarded to a participating part-time
5 student enrolled at least half-time for the school year, shall
6 be prorated in accordance with the part-time status of the
7 student.

8 (d) A student who provides satisfactory proof to the
9 commission that he or she has satisfied all of the following
10 criteria is eligible to submit an application for
11 consideration for a scholarship grant under the program:

12 (1) The student has graduated from a public high
13 school that is part of a school district in this state at
14 least one semester earlier than his or her class is scheduled
15 to graduate.

16 (2) The student has achieved a passing score on each
17 component of the high school graduation examination.

18 (3) The student is currently a resident of this
19 state and has been a resident of this state for at least 12
20 months immediately preceding application.

21 (4) The student has completed and submitted a free
22 application for federal student aid.

23 (e) The school district from which the student
24 graduated shall continue to include any student who graduates
25 early in the average daily membership calculations for the
26 school district until his or her class is scheduled to
27 graduate. The school district shall continue to receive

1 Foundation Program funds minus two thousand two hundred
2 dollars (\$2,200), for each student who graduates at least one
3 year early, or one thousand seven hundred dollars (\$1,700),
4 for each student who graduates one semester early, whichever
5 is applicable, until the class of the student graduates. The
6 school district shall place the per pupil funding received in
7 the school district's maintenance and operations fund.

8 (f) The department shall transmit both of the
9 following to the commission:

10 (1) A list of early graduates with identifying
11 information, cohort graduation date, early graduation date,
12 and high school of graduation.

13 (2) Two thousand two hundred dollars (\$2,200), for
14 each student who graduates at least one year early, or one
15 thousand seven hundred dollars (\$1,700), for each student who
16 graduates one semester early, whichever is applicable, for
17 deposit into the Early Graduation Scholarship Fund established
18 in subsection (1).

19 (g) The commission shall make awards from the Early
20 Graduation Scholarship Fund for payment of tuition, books, and
21 fees at qualifying postsecondary institutions to students who
22 are selected to participate in the early graduation
23 scholarship program on verification of admission, enrollment,
24 and certification of the cost of each tuition and fees for
25 each student by the qualifying postsecondary institution.

26 (h) If the amount of monies available for
27 scholarship grants in any fiscal year is insufficient to

1 provide scholarship grants to all eligible applicants, the
2 commission shall award scholarship grants to eligible students
3 in the order in which the applications were received by the
4 commission. Priority shall be given to eligible students who
5 received a scholarship grant in the previous fiscal year, and
6 who are still in good academic standing at the same qualifying
7 postsecondary institution, or who transferred to a different
8 qualifying postsecondary institution but remain in good
9 academic standing at the previous qualifying postsecondary
10 institution. The commission shall maintain a waiting list for
11 all other applicants.

12 (i) A qualifying postsecondary institution shall
13 notify the commission if any student who has received a
14 scholarship grant is no longer in good academic standing at
15 the qualifying postsecondary institution or is no longer
16 enrolled at the qualifying postsecondary institution.

17 (j) The student or the qualifying postsecondary
18 institution shall reimburse the Early Graduation Scholarship
19 Fund for any unused scholarship grant funds received pursuant
20 to subsection (c) if the student does not complete the school
21 year. A student shall complete the first year in good academic
22 standing from a qualifying postsecondary institution before
23 receiving monies for the second year from the Early Graduation
24 Scholarship Fund.

25 (k) A student who receives an early graduation
26 scholarship grant, at no additional cost except for fees
27 charged to all students, may participate in extracurricular

1 activities until his or her high school class is scheduled to
2 graduate and participate in his or her high school class
3 graduation ceremonies.

4 (1) There is established in the State Treasury a
5 separate fund known as the Early Graduation Scholarship Fund.
6 The fund shall consist of monies deposited pursuant to
7 subsection (f) and all repayments received pursuant to
8 subsection (j). The commission shall administer the fund.
9 Monies in the fund shall be continuously appropriated. Monies
10 in the fund shall be subject to withdrawal only upon warrant
11 of the Comptroller issued on certification of the commission.
12 No funds shall be withdrawn or expended except as budgeted and
13 allocated pursuant to this section. The commission may retain
14 up to five percent of the monies in the fund for
15 administrative costs and may employ the equivalent of two
16 full-time positions for the implementation and administration
17 of the program.

18 (m) The commission shall submit an annual report, by
19 December 1, to the Governor, the Lieutenant Governor, the
20 Speaker of the House of Representatives, and the State
21 Superintendent of Education, and a copy of the report shall be
22 submitted to the Secretary of State. The report shall contain
23 at least the following:

24 (1) The number of students who graduated at least
25 one year early and the number of students who graduated at
26 least one semester early, by school district, for each year of
27 implementation of the program.

1 (2) The number of scholarships provided pursuant to
2 this section.

3 (3) The average amount per scholarship provided
4 pursuant to this section.

5 (4) The balance in the Early Graduation Scholarship
6 Fund.

7 (5) The number of students using a scholarship to
8 attend a regionally or nationally accredited public or private
9 postsecondary institution and the number of students using a
10 scholarship to attend a regionally or nationally accredited
11 vocational program.

12 (6) A description of how the commission expended
13 monies for administrative costs of the program pursuant to
14 subsection (1).

15 (n) For the purposes of this section, a qualifying
16 postsecondary institution is a regionally or nationally
17 accredited public or private two-year or four-year institution
18 of higher education located in this state or a regionally or
19 nationally accredited vocational program located in this
20 state.

21 Section 2. This act shall become effective on the
22 first day of the third month following its passage and
23 approval by the Governor, or its otherwise becoming law.