

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1011

S.P. 300

In Senate, February 20, 2001

An Act to Modify the Maine Student Incentive Scholarship Program.

Submitted by the Finance Authority of Maine pursuant to Joint Rule 204.
Reference to the Committee on Education and Cultural Affairs suggested and ordered
printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator SMALL of Sagadahoc.
Cosponsored by Representative RICHARD of Madison and
Senators: PENDLETON of Cumberland, ROTUNDO of Androscoggin, Representatives:
BELANGER of Caribou, LEDWIN of Holden, STEDMAN of Hartland, WESTON of
Montville.

2 year for which the student applies. A student is considered to
4 have a need to qualify for a student-incentive-scholarship grant
6 if the total of the expected family contribution, together with
8 any Pell Grant established pursuant to the Higher Education Act
10 of 1965, Title IV, as amended, United States Code, Title 20, and
12 a ~~student-incentive-scholarship-grant~~ Maine State Grant does not
14 exceed 75% of the cost of attendance at the institution the
student attends. This section does not require that a student
receive or apply for a Pell Grant but only that a student be
eligible for a Pell Grant provided, however, that the amount of
any Pell Grant that a student is entitled to receive must be
included in calculating the amount of a ~~student--incentive~~
scholarship Maine State Grant whether or not the student receives
the Pell Grant.

16 **Sec. 8. 20-A MRS §11614**, as amended by PL 1999, c. 233, §1,
18 is further amended to read:

20 **§11614. Determination of grants**

22 ~~Scholarships~~ Grants to eligible students ~~shall~~ must be
24 determined as follows, subject to the limitations set forth in
section 11613.

26 **1. Priority for awards of grants.** Students with the lowest
28 expected family contributions must be given priority over all
other eligible students for the awards of ~~scholarships~~ grants.

30 **2. Minimum amount.** It is the intent of the Legislature
32 that ~~scholarships~~ grants awarded under this chapter, except as
34 provided in subsections 4, 5 and 6, may not be less than: \$1,000
36 for students attending public institutions of higher education
38 within the State; \$1,250 for students attending private
40 institutions of higher education within the State; \$500 for
42 students attending public institutions of higher education
44 outside the State; and \$1,000 for students attending private
institutions of higher education outside the State. Amounts less
than the minimum amounts required by this subsection may be
awarded to meet needs as determined under section 11613. The
authority may not grant awards of less than \$200 to a full-time
student. A scholarship grant received by a student under this
chapter may ~~not~~ be applied only to reduce institutional or other
grant aid to that student if such institutional or grant aid is
subsequently granted to a student with demonstrated financial
need.

46 **4. Prorated grants.** A scholarship grant recipient whose
48 course load is reduced from full time ~~shall~~ is entitled to
50 receive a scholarship grant prorated for that term of the
recipient's enrollment.

2 **5. Withdrawal.** If a recipient of a scholarship grant
3 withdraws from an institution and the student is entitled to a
4 refund of tuition, fees or other charges, the institution shall
5 make a refund payment directly to the authority in accordance
6 with the institution's refund policy.

7 **6. Safety net.** Notwithstanding the provisions of this
8 section, the authority shall may not allocate less in scholarship
9 grants under this chapter for students attending the University
10 of Maine System, the Maine Maritime Academy, the
11 ~~Vocational-Technical-Institute~~ Maine Technical College System and
12 private ~~post-secondary~~ postsecondary institutions than was
13 allocated for students in each of those institutions or groups of
14 institutions of higher education in 1988-89.

15 **7. Part-time students.** The authority may allocate up to 5%
16 of the ~~student-incentive-scholarship-grants~~ Maine State Grants to
17 eligible part-time students. The authority must establish
18 eligibility criteria by rulemaking pursuant to the Maine
19 Administrative Procedure Act.
20

21 **Sec. 9. 20-A MRSA §§11615 and 11616,** as enacted by PL 1989,
22 c. 559, §10, are amended to read:
23

24 **§11615. Publication of grant amounts**
25

26 Prior to March 1st of each year, the authority shall publish
27 scholarship grant amounts for the succeeding academic year.
28

29 **§11616. Length of grant; period of study**
30

31 **1. Length of grant.** A ~~scholarship-shall-be~~ grant is for a
32 period not to exceed one academic year. A student may apply for
33 a new scholarship grant for each year during the period required
34 for completion of an eligible program of study being pursued by
35 that student. A scholarship grant recipient who remains eligible
36 shall must be considered in the succeeding award year.
37

38 **2. Period of study.** An eligible full- or part-time student
39 may receive a scholarship grant for a period not to exceed 8
40 ~~semesters--or--its--equivalent--for--a--full-time--student--and--16~~
41 ~~semesters--or--120--credit--hours--whichever--is--completed--first--for~~
42 ~~a--part-time--student.--The--period--may--be--extended--for--not--more~~
43 ~~than--one--additional--academic--year--if:~~ 150% of the published
44 length of the program in which the student is enrolled at the
45 institution that the student is attending, measured in academic
46 years, academic terms, credit hours attempted or clock hours
47 completed, as appropriate.
48

2 A. ~~The student is pursuing a course of study leading to a~~
3 ~~first degree in a program of study which is designed by the~~
4 ~~institution offering it to extend over 5 academic years; or~~

6 B. ~~The student will be unable to complete a course of study~~
7 ~~within 4 academic years because of a requirement of the~~
8 ~~institution that the student enroll in a noncredit remedial~~
9 ~~course of study. "Noncredit remedial course of study" means~~
10 ~~a course of study for which no credit is given toward an~~
11 ~~academic degree and which is designed to increase the~~
12 ~~ability of the student to engage in an undergraduate course~~
13 ~~of study leading to that degree.~~

14 **Sec. 10. 20-A MRSA §11617, sub-§1**, as enacted by PL 1989, c.
15 559, §10, is amended to read:

16 **1. Responsibility of authority.** The authority shall
17 administer the scholarship ~~program~~ Maine State Grant Program,
18 including establishing and maintaining fund accounting and
19 control procedures as required by state law or as necessary for
20 the State to be eligible to receive federal assistance under the
21 Federal Student Assistance Program, Higher Education Act of 1965,
22 Title IV, Part A, Subpart 3, as amended, United States Code,
23 Title 20, Sections 1070c-1, 1070c-2 and 1070c-3.

24 **Sec. 11. 20-A MRSA §11631**, as enacted by PL 1993, c. 465, §1,
25 is amended to read:

26 **§11631. University of Maine System Scholarship Fund**

27
28
29 The University of Maine System Scholarship Fund is created
30 and established as a nonlapsing fund under the jurisdiction and
31 control of the Finance Authority of Maine. All revenues credited
32 to this fund must be distributed as need-based scholarships for
33 students attending the University of Maine System. These
34 scholarships may only be awarded to those students who are
35 residents of the State, who pay tuition and who otherwise meet
36 the eligibility requirements for a ~~scholarship under the student~~
37 ~~incentive scholarship program~~ grant under the Maine State Grant
38 Program under chapter 419-A. The Finance Authority of Maine
39 shall award the scholarships and adopt rules for determining
40 eligibility, terms and conditions for the scholarships. The fund
41 may not be used for the costs of administering the scholarships.
42
43

44
45
46 **SUMMARY**

47 This bill amends the provisions of the student incentive
48 scholarship program by renaming the program and by redefining the
49 maximum length of the grant to a period equal to 150% of the
50

2 total amount of time the institution that the student is
attending publishes as the ordinary length of the program in
4 which the student is enrolled. The bill also clarifies language
that restricted the use of grant funds from replacing
institutional or other grant aid.