Hathaway scholarship program.

Sponsored by: Joint Education Interim Committee

A BILL

for

1 AN ACT relating to education; providing for scholarships
2 for attendance at Wyoming community colleges and the
3 University of Wyoming as specified; specifying eligibility
4 criteria, conditions and limitations; imposing duties on
5 the Wyoming department of education, the University of
6 Wyoming, Wyoming community colleges, the community college
7 commission, school districts and the state treasurer;
8 delegating rulemaking authority; defining terms; imposing
9 reporting requirements; modifying other tuition programs;
10 providing for a continuous appropriation; and providing for
11 an effective date.

12

13 Be It Enacted by the Legislature of the State of Wyoming:

14

Section 1. W.S. 21-16-1301 through 21-16-1310 are
15 created to read:

16

17
ARTICLE 13

HATHAWAY SCHOLARSHIP PROGRAM

21-16-1301. Definitions.

(a) As used in this article:

(i) "Academic term" means the fall semester or term or the spring semester or term. In this article, "term" and "semester" have the same meaning except that recipients may elect to use the scholarship during summer school, which counts toward the maximum number of terms for which the student is eligible but does not count toward computation of an academic year;

(ii) "Academic year" means two (2) consecutive semesters or terms and is the period of time a full-time student is expected to complete the equivalent of at least two (2) semesters of academic work;

(iii) "ACT score" means a composite score on the American College Test or an equivalent score on the Scholastic Aptitude Test;
(iv) "Certificate" means a credential other than a degree as defined in paragraph (vi) of this subsection. A "certificate" is either an associate of applied science degree or indicates satisfactory completion of training in an academic year program of study offered by a Wyoming community college;

(v) "Cost of attendance" means the sum cost of tuition, mandatory fees, room and board, books and supplies, travel and personal expenses to attend an eligible institution as determined annually by the institution in accordance with W.S. 21-16-1306(b);

(vi) "Degree" means a baccalaureate or an associate degree other than a certificate;

(vii) "Department" means the Wyoming department of education;

(viii) "Eligible high school" means a public or private secondary school that is located in Wyoming and is accredited or licensed by the department or is exempt from licensure pursuant to W.S. 21-2-406(a)(i);
(ix) "Eligible institution" means the University of Wyoming or a Wyoming community college;

(x) "Equivalent of a full-time semester" means twelve (12) semester hours in a semester;

(xi) "Expenditure account" means the Hathaway scholarship expenditure account established under W.S. 21-16-1302;

(xii) "Grade point average" or "GPA" means the numbered grade average calculated using a 4.0 scale;

(xiii) "Graduate of an out-of-state high school" means a person attending and graduating from an out-of-state high school pursuant to W.S. 21-4-501;

(xiv) "Satisfactory academic progress" means completing at least six (6) semester hours per semester if enrolled for less than twelve (12) semester hours and completing at least twelve (12) semester hours per semester if enrolled for twelve (12) or more semester hours, and meeting such other criteria as established by the eligible institution to ensure the student earns his degree or
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1 certificate in a timely manner. The student's hours of
2 enrollment for purposes of this paragraph shall be the same
3 number of hours of enrollment used to determine the state's
4 obligation to reimburse the eligible institution for the
5 student's scholarship under this article;
6
7 (xv) "Scholarship" means an award provided
8 pursuant to W.S. 21-16-1304, 21-16-1305 or 21-16-1306;
9
10 (xvi) "Semester hour" means each nonremedial
11 semester hour attempted for credit toward a degree or
12 certificate, excluding any semester hour attempted before
13 earning a high school diploma or a general educational
14 development (GED) equivalency diploma;
15
16 (xvii) "Title IV" means Title IV of the federal
17 Higher Education Act of 1965, as amended;
18
19 (xviii) "Unmet financial need" means the cost of
20 attendance minus the sum of expected family contribution
21 and all federal, state, local, institutional and privately
22 funded scholarships or grants received by the student, all
23 as determined by the eligible institution. The institution
24 shall use the most recent federal free application for
federal student aid form to determine expected family
contribution and shall do so annually in accordance with
W.S. 21-16-1306(b);

(xix) "WORKKEYS SCORE" means qualifying scores
on the WORKKEYS job skills assessment test. In the event
the WORKKEYS job skills assessment test is superseded,
becomes too expensive to administer or goes out of general
use, the department shall specify by rule and regulation a
replacement test to be used.

21-16-1302. Hathaway scholarship expenditure account
created; reserve account created; use and appropriation of
funds.

(a) The Hathaway scholarship expenditure account is
created to consist of earnings from the Hathaway student
scholarship endowment account created by W.S. 21-16-1201
and such other funds appropriated by the legislature to the
expenditure account. Eighty percent (80%) of all monies
deposited to the expenditure account under this section
shall be available for scholarships under W.S. 21-16-1304
and 21-16-1305. Twenty percent (20%) of all monies
deposited to the expenditure account under this section
shall be available for scholarships under W.S. 21-16-1306. Monies within the expenditure account are continuously appropriated to the state treasurer for distribution to eligible institutions based on scholarships awarded under this article. All unexpended and unencumbered monies within the expenditure account at the end of each fiscal year shall be deposited by the state treasurer to the Hathaway student scholarship reserve account.

(b) There is created the Hathaway student scholarship reserve account. The reserve account shall consist of those monies deposited to the account pursuant to subsection (a) of this section and such other funds appropriated by the legislature to the reserve account. To the extent funds within the Hathaway scholarship expenditure account are insufficient in any fiscal year to fully fund scholarships awarded under this article, monies within the reserve account shall be deposited by the state treasurer to the expenditure account for distribution to eligible institutions to fund those scholarships. As soon as possible after the end of each of the fiscal years beginning on and after July 1, 2007, the state treasurer shall transfer monies from this reserve account to the Hathaway student scholarship endowment account to the
extent monies within the reserve account are in excess of
the greater of twelve million dollars ($12,000,000.00) or
an amount equal to three and seventy-five hundredths
percent (3.75%) of the previous five (5) year average
market value of the Hathaway student scholarship endowment
account, calculated from the first day of the fiscal year.

21-16-1303. Hathaway scholarship program; eligibility
requirements.

(a) There is created the Hathaway scholarship program
for Wyoming students.

(b) Under the Hathaway scholarship program, subject
to availability of funds as determined by the legislature,
the state shall provide a scholarship pursuant to W.S.
21-16-1304 and 21-16-1305 to any student who has been
accepted by and enrolls in an eligible institution to
pursue a degree or certificate, and who meets the following
qualifications:

(i) The student has demonstrated Wyoming
residency as determined by the eligible institution at
which the student is enrolled;
(ii) The student has successfully completed a curriculum and meets standards for admission to the eligible institution. Until success curricula requirements are established pursuant to W.S. 21-16-1307, the curriculum requirement of this paragraph for Hathaway scholarship recipients shall be that required for high school graduation under W.S. 21-2-304(a)(iii). For first-time students who enroll in an eligible institution in the fall of 2011, and thereafter, curriculum requirements for a scholarship under this article shall be as established pursuant to W.S. 21-16-1307; and

(iii) The student has:

(A) Graduated from an eligible high school or is otherwise eligible under rules promulgated pursuant to W.S. 21-16-1308(b)(iii) and (iv);

(B) Applied for a scholarship under this article within two (2) years of the date of high school graduation, or is otherwise eligible under rules promulgated pursuant to W.S. 21-16-1308(b)(iii) and (iv).
exceptions to the requirement of subparagraph (A) of this paragraph and of this subparagraph for military service, religious service and other good cause shown; and

(C) The minimum high school cumulative grade point average and minimum composite ACT or cumulative WORKKEYS score specified under this article for the type of scholarship to be awarded.

(c) Notwithstanding W.S. 21-16-1301(a)(viii), students who are Wyoming residents and graduates of an out-of-state high school shall be deemed to have graduated from an eligible high school for the purpose of qualifying under this article. Notwithstanding W.S. 21-16-1301(a)(viii) or paragraph (b)(i) of this section, a student whose custodial parent or guardian is in active military service and maintains Wyoming as that parent's or guardian's state of domicile is deemed to be a Wyoming resident and if a high school graduate of a high school outside of Wyoming accredited by the appropriate regional accrediting agency shall be deemed to have graduated from an eligible high school for the purpose of qualifying under this article.
(d) No student shall be eligible for a scholarship under this article for more than the equivalent of eight (8) full-time semesters. No student shall be eligible for a scholarship under this article for any semesters commencing after six (6) academic years following the student's initial eligibility. For purposes of this subsection a student's initial eligibility shall be deemed to commence with the first semester in which the state is obligated to reimburse an eligible institution for the student's scholarship under this article. The department shall by rule and regulation establish exceptions to this subsection for military service, religious service and other good cause shown.

(e) A student is not eligible for a scholarship under this article if he:

(i) Is not a United States citizen or a permanent resident alien who meets the definition of an eligible noncitizen under federal Title IV requirements or requirements of a subsequent similar federal enactment;
(ii) Has not complied with United States selective service system requirements for registration, if the requirements are applicable to the student;

(iii) Is in default on a federal Title IV education loan. Nothing in this paragraph prohibits a student who is otherwise eligible for a scholarship under this article and has fully repaid a defaulted loan or is no longer in default, from receiving a scholarship for future academic semesters;

(iv) Owes a refund under a federal Title IV student financial aid program or a subsequently enacted similar federal student financial aid program, or a student financial aid program administered through the state. Nothing in this paragraph prohibits a student who is otherwise eligible for a scholarship under this article and has fully paid the refund owed, from receiving a scholarship for future academic semesters;

(v) Is incarcerated; or

(vi) Does not otherwise qualify under this article for a scholarship.
21-16-1304. Hathaway opportunity, performance and honor scholarships.

(a) Any student who meets the criteria under W.S. 21-16-1303 is eligible to receive a scholarship to pursue a degree or certificate as follows:

(i) With a minimum cumulative high school GPA of 2.50 and a composite ACT score of at least nineteen (19), a Hathaway opportunity scholarship for:

(A) Eight hundred dollars ($800.00) per semester at an eligible institution if enrolled for twelve (12) or more semester hours;

(B) The amount provided under subparagraph (A) of this paragraph times a fraction, the numerator of which is the number of hours for which the student is enrolled and the denominator is twelve (12), if enrolled at an eligible institution for at least six (6) and less than twelve (12) semester hours.
(ii) With a minimum cumulative high school GPA of 3.0 and a composite ACT score of at least twenty-one (21), a Hathaway performance scholarship for:

(A) One thousand two hundred dollars ($1,200.00) per semester at an eligible institution if enrolled for twelve (12) or more semester hours;

(B) The amount provided under subparagraph (A) of this paragraph times a fraction, the numerator of which is the number of hours for which the student is enrolled and the denominator is twelve (12), if enrolled at an eligible institution for at least six (6) and less than twelve (12) semester hours.

(iii) With a minimum cumulative high school GPA of 3.5 and a composite ACT score of at least twenty-five (25), a Hathaway honor scholarship for:

(A) One thousand six hundred dollars ($1,600.00) per semester at an eligible institution if enrolled for twelve (12) or more semester hours;
(B) The amount provided under subparagraph (A) of this paragraph times a fraction, the numerator of which is the number of hours for which the student is enrolled and the denominator is twelve (12), if enrolled at an eligible institution for at least six (6) and less than twelve (12) semester hours.

(b) Scholarships under this section shall be for a maximum of the equivalent of eight (8) full-time semesters. A scholarship under this section shall be available for attendance at a Wyoming community college for not more than a maximum of the equivalent of four (4) full-time semesters.

(c) To remain eligible for the scholarship under this section, the student shall:

   (i) Make satisfactory academic progress toward a degree. If a student fails to make satisfactory academic progress or maintain the cumulative grade point average required for continuation in the program as provided in this subsection, the student shall become ineligible for the scholarship in subsequent semesters unless granted an exception for cause by the department or except as
otherwise provided in this subsection. The department may delegate to any eligible institution the department's authority to grant an exception for cause, but shall only do so in accordance with department rules establishing procedures and criteria for granting an exception and any eligible institution acting pursuant to such delegation shall grant exceptions only in accordance with those rules. The scholarship under this article which is lost for failing to maintain the requisite grade point average shall be reinstated for the subsequent semester following attainment of the cumulative grade point average required of the applicable scholarship under paragraph (iii) of this subsection, provided that the student is otherwise eligible and neither the applicable maximum number of full-time equivalent semesters nor the maximum scholarship eligibility time period specified under subsection (b) of this section and W.S. 21-16-1303(d), including semesters for which a scholarship was not received, has been reached;

(ii) Maintain continuous enrollment for not less than two (2) semesters in each successive academic year. The department shall by rule and regulation establish exceptions to the requirement of this paragraph for
military service, religious service and other good cause shown; and

(iii) Maintain a cumulative grade point average as evaluated at the end of each spring academic term as follows:

(A) For Hathaway opportunity scholarships, at least a 2.25 GPA;

(B) For Hathaway performance scholarships and Hathaway honor scholarships, at least a 2.50 GPA.

(d) A student receiving a Hathaway honor scholarship or a Hathaway performance scholarship who fails to meet the GPA requirements of subsection (c) of this section necessary to maintain that scholarship may be awarded a Hathaway opportunity scholarship for attendance at an appropriate eligible institution if he meets the requirements necessary to maintain that scholarship.

(e) The cumulative grade point average required under this section to maintain a scholarship shall be the student's grade point average achieved at all eligible
institutions after the student's initial eligibility as determined under W.S. 21-16-1303(d).

21-16-1305. Hathaway career scholarships.

(a) Any student who meets the criteria under W.S. 21-16-1303 is eligible to receive a Hathaway career scholarship to pursue a certificate as follows:

(i) With a minimum cumulative high school GPA of 2.50 and either a composite ACT score of at least seventeen (17) or a cumulative score of at least twelve (12) points on applied math, reading for information and locating information on WORKKEYS tests, a scholarship for:

(A) Eight hundred dollars ($800.00) per semester at a Wyoming community college if enrolled for twelve (12) or more semester hours;

(B) The amount provided under subparagraph (A) of this paragraph times a fraction, the numerator of which is the number of hours for which the student is enrolled and the denominator is twelve (12), if enrolled at
a Wyoming community college for at least six (6) and less than twelve (12) semester hours.

(ii) Scholarships under paragraph (i) of this subsection shall be for a maximum of the equivalent of four (4) full-time semesters;

(iii) A student who receives a scholarship under paragraph (i) of this subsection and who earns a certificate from the community college with a minimum cumulative GPA of 2.25 may receive an additional scholarship at a Wyoming community college to pursue either a certificate or a degree if the student maintains a minimum cumulative GPA of 2.25 and otherwise remains eligible for a scholarship under this article. The scholarship under this paragraph shall be for the same amounts and subject to the same limitations as provided for scholarships under paragraph (a)(i) of this section, except that the student may pursue either an additional certificate or a degree.

(b) To remain eligible for the scholarship award under this section, the student shall:
(i) Make satisfactory academic progress toward a certificate or degree. If a student fails to make satisfactory academic progress or maintain the cumulative grade point average required for continuation in the program provided in paragraph (iii) of this subsection, the student shall become ineligible for the scholarship in subsequent semesters unless granted an exception for cause by the department or except as otherwise provided in this subsection. The department may delegate to any eligible institution the department's authority to grant an exception for cause, but shall only do so in accordance with department rules establishing procedures and criteria for granting an exception and any eligible institution acting pursuant to such delegation shall grant exceptions only in accordance with those rules. The scholarship under this article which is lost for failing to maintain the requisite grade point average shall be reinstated for the subsequent semester following attainment of the cumulative grade point average required under paragraph (iii) of this subsection provided that the student is otherwise eligible and that neither the maximum number of full-time equivalent semesters nor the maximum scholarship eligibility time period specified under subsection (a) of this section and
W.S. 21-16-1303(d), including semesters for which a scholarship was not received, has not been reached;

(ii) Maintain continuous enrollment for not less than two (2) semesters in each successive academic year. The department shall by rule and regulation establish exceptions to the requirement of this paragraph for military service, religious service and other good cause shown; and

(iii) Maintain a cumulative grade point average of at least 2.25 GPA, as evaluated at the end of each spring academic term for certificates or degrees that require more than one (1) academic year.

(c) The cumulative grade point average required under this section to maintain a scholarship shall be the student's grade point average achieved at all eligible institutions after the student's initial eligibility as determined under W.S. 21-16-1303(d).

21-16-1306. Need based scholarships.
(a) In addition to scholarships made available under W.S. 21-16-1304 and 21-16-1305 there shall be made available a need based Hathaway scholarship as follows:

(i) The scholarship shall be available only to students qualifying for a scholarship under W.S. 21-16-1304 or 21-16-1305 and for federal financial aid. The scholarships under this section shall be computed and awarded as follows:

(A) If the student has annual unmet financial need of two thousand dollars ($2,000.00) or less – no award;

(B) If the student has annual unmet financial need greater than two thousand dollars ($2,000.00):

(I) If the student is eligible for a Hathaway honor scholarship – an award under this section in an amount equal to the annual unmet financial need exceeding two thousand dollars ($2,000.00). A scholarship under this subdivision shall continue as long as the student remains eligible for a Hathaway honor scholarship;
(II) If a student is eligible for a scholarship under this article but does not qualify under subdivision (I) of this subparagraph – an award equal to twenty-five percent (25%) of the annual unmet financial need in excess of two thousand dollars ($2,000.00), but not to exceed one thousand five hundred dollars ($1,500.00) per year.

(C) A student qualifying for any award under this section shall receive a minimum amount of one hundred dollars ($100.00) for each semester of qualification. One-half (1/2) of the annual award amount under this section shall be provided to the student at each semester of qualification.

(b) The department shall provide scholarships under this section from funds made available under W.S. 21-16-1302 and the state treasurer shall reimburse eligible institutions accordingly under W.S. 21-16-1308. All requirements for scholarship recipients applicable under this article shall be applicable to scholarships under this section. The department, in consultation with each eligible institution, shall by rule designate a date for
each academic year upon which each eligible institution shall make the final computation for unmet need for students receiving a scholarship under this section, consistent with each institution's schedule for determining actual cost of attendance for students at that institution.

21-16-1307. Success curriculum; test standards.

(a) Not later than October 1, 2006, the department shall recommend to the governor and the joint education interim committee of the legislature, in consultation with school districts, the University of Wyoming, each Wyoming community college and the Wyoming community college commission:

(i) The contents of an appropriate success curriculum for Hathaway opportunity, performance and honor scholarship students and, in consultation with each community college and the commission, the contents of an appropriate success curriculum for Hathaway career scholarship students. The success curricula shall, upon approval of the legislature, enable students entering high school in the fall of 2007 to pursue those curricula for scholarship eligibility under this article beginning with
the fall of 2011. The success curricula shall include at least four (4) years each of mathematics, science, and reading/language arts, three (3) years of social studies and a study of a foreign language in grades 9 through 12. The department shall by rule and regulation establish exceptions to the success curricula for students attending or graduating from an eligible high school not qualifying as a prototypical high school under Wyoming law;

(ii) Components of the success curricula to be included in the criteria for eligibility for scholarships during each year of the phase-in of the Hathaway scholarship program prior to complete implementation in the fall of 2011;

(iii) The adoption of statewide student assessment standards and scores administered pursuant to W.S. 21-2-304(a) to augment qualifying ACT or WORKKEYS scores for scholarships under this article. The recommended adoption of statewide assessment standards and scores shall be designed to provide incentives for students to pursue a rigorous curriculum and strive to achieve academic success in high school.
(b) Not later than October 1, 2007, and by October 1 in each odd-numbered year thereafter, the department, in consultation with the University of Wyoming, Wyoming community colleges and the community college commission, shall report to the governor and the joint education interim committee of the legislature on recommendations for modifications to the minimum cumulative GPA and minimum composite ACT or cumulative WORKKEYS scores contained in this article to ensure that the Hathaway scholarship program is designed to provide the desired incentives for students to pursue a rigorous curriculum and strive to achieve academic success. The cumulative GPA requirements for performance under the success curricula shall not be restricted to those courses comprising the success curricula, but shall be applied comprehensively to all courses included within each scholarship student's high school curricula.

21-16-1308. Administration; rules and regulations.

(a) This article shall be administered by the department in accordance with the following:
(i) Students shall make application for scholarships under this article with the eligible institution at the time of applying for admission or in any event prior to the beginning of the semester at the eligible institution. The application shall contain information as required by rule of the department;

(ii) Upon request of a student applying to an eligible institution and initially applying for a Hathaway scholarship, each school district shall provide to the eligible institution an official transcript of the student's academic record through the student's most recent semester of attendance. Following graduation and upon the student's request the school district shall also provide to the eligible institution an official transcript of the student's complete academic record;

(iii) For students transferring from an eligible institution to another eligible institution and making application for continuance of a scholarship, the institution from which the student is transferring shall at the student's request provide an official transcript to the new institution and shall provide a list of all semesters of attendance in which a Hathaway scholarship was received.
by the student and, if applicable, a list of all semesters
for which a student previously qualifying for a Hathaway
scholarship was determined ineligible for the Hathaway
scholarship;

(iv) Each eligible institution receiving an
application from a student applying for a Hathaway
scholarship shall preliminarily determine the student's
eligibility for the scholarship. For students initially
applying for a scholarship, unless the student's complete
academic record is available, the GPA used to preliminarily
determine eligibility shall be based upon the student's
official high school transcript after either the end of the
first semester of a student's senior year or the second
semester of a student's junior year, at the sole discretion
of the eligible institution. For students graduating prior
to their senior year the GPA used to preliminarily
determine eligibility shall be based upon the student's
official high school transcript as of the end of the
semester immediately prior to the last semester before the
student's graduation. High school GPAs for final
eligibility determinations for students initially applying
for a scholarship under this article shall be based upon
the student's complete high school academic record. Upon
final determination of scholarship eligibility, each community college shall certify to the community college commission not later than thirty (30) days after the semester commences, a list of students enrolled at the institution who qualify for a scholarship under this article, including the amount of each scholarship. The university shall certify to the department within forty-five (45) days after the semester commences a like list for students enrolled at the university. The director of the community college commission shall verify within ten (10) days after receiving all lists from community colleges that there is no duplication of students on the community college lists, shall provide the lists to the department and shall certify to the department the amount each college is to receive under this article;

(v) The department shall determine and certify to the state treasurer the amount which is equal to seventy-five percent (75%) of the total amount the eligible institution received during the preceding semester under this subsection. Not later than September 1 for the fall semester and not later than January 15 for the spring semester, the state treasurer shall pay from the scholarship expenditure account the amount certified by the
department. The department shall review the lists provided under paragraph (iv) of this subsection, determine there is no duplication of students, and determine and certify to the state treasurer the balance of the amount due under this article to each institution for the semester. The state treasurer shall pay from the scholarship expenditure account the balance of the amount due. Payments of the balance due under this paragraph shall be made not later than seventy-five (75) days after the institution's semester has commenced. Payments to the university shall be made directly to the university. Payments to the community colleges shall be made directly to each college and be reported by the state treasurer to the community college commission. Should a prepayment under this paragraph exceed the amount actually due the institution for any semester, the excess amount shall be calculated by the department and deducted from the next payment made. For purposes of this subsection, payments due for summer terms shall be included within the calculations and payments for the subsequent fall semester.

(b) The department shall, in consultation with University of Wyoming and community college admissions officers and financial aid officers and school districts,
promulgate rules and regulations necessary to implement this article, including:

(i) A means for informing all students and their parents or guardians of the availability of the scholarships under this article in sufficient time to enable the student to plan for and complete the success curriculum. The means shall at a minimum include:

(A) A requirement that each written communication from a school district to a parent or guardian of a student include on any envelope used, or on the communication if no separate envelope is used, a statement that the state of Wyoming provides Hathaway merit and need scholarships to Wyoming students attending the University of Wyoming and Wyoming community colleges and that every Wyoming student who meets the merit requirements can earn a Hathaway merit scholarship;

(B) A summary of available Hathaway scholarships and requirements to earn a scholarship. The summary shall be made available on the department's website on the Internet, the World Wide Web or similar proprietary or common carrier electronic system;
(C) Provision for each school district to provide a one (1) week unit of instruction in the eighth grade regarding preparation for post-secondary work, including an overview of a curriculum needed to be successful in post-secondary education, standardized test requirements, scholarships available for post-secondary education and earning differences anticipated at various post-secondary education levels. The unit of instruction provided under this subparagraph shall be developed by the department in consultation with school districts and shall be delivered to school districts. The department in consultation with the school districts shall develop a program of a curriculum needed to be successful in post-secondary education, standardized test requirements, scholarships available for post-secondary education and earning differences anticipated at various post-secondary education levels.

(ii) Applications, forms, financial and program audit procedures, eligibility and other matters related to efficient operation;
(iii) Criteria and procedures under which students in a home-based educational program can qualify for scholarships under this article. A student in a home-based educational program:

(A) Shall make application for an initial scholarship before his twenty-first birthday;

(B) Shall meet the initial eligibility requirements of this article other than attendance and graduation from an eligible high school and corresponding GPA requirements;

(C) Who is otherwise eligible and who achieves the requisite composite ACT or cumulative WORKKEYS score shall be eligible for the scholarships provided under this article at the same level and to the same extent as students graduating from eligible high schools.

(iv) Criteria and procedures under which students who receive a general educational development (GED) equivalency diploma can qualify for scholarships under this article. A student receiving a GED shall:
(A) Receive the GED and make application for the initial scholarship no later than two (2) years after and no sooner than the graduation date of the student's high school class, unless ordered by a court to complete the requirements for a GED prior to that graduation date or for other good cause shown as determined by the department. The student shall have attended an eligible high school prior to receiving his GED and shall have received his GED while residing in Wyoming;

(B) Meet the initial eligibility requirements of this article other than curriculum requirements, attendance and graduation from an eligible high school and corresponding GPA requirements;

(C) If otherwise eligible, be eligible for a scholarship as follows:

(I) With a minimum GED standard score of 500, a scholarship at the same level and to the same extent as a Hathaway opportunity scholarship or career scholarship;
(II) With a minimum GED standard score of 540, a scholarship at the same level and to the same extent as a Hathaway performance scholarship;

(III) With a minimum GED standard score of 575, a scholarship at the same level and to the same extent as a Hathaway honor scholarship.

(v) Any other rules and regulations necessary for the implementation and administration of this article.

(c) The department shall establish annual reporting procedures for purposes of policy analysis and program evaluation and providing accurate data to the legislature and governor relative to the program's impact on the state and on students. In developing the annual reporting procedure the department shall consult with the University of Wyoming and community college financial aid officers and registrars or their designees. It is the intention of the legislature that the reporting system and the requirements thereof shall be applicable to all recipients of scholarships under this article. Compliance with this section shall be made a condition of receiving a
The reporting system shall include the following information:

(i) A report prepared for each semester or equivalent periods of time during each academic year relative to the rate of retention of program participants;

(ii) Scholarships by students as they progress from semester to semester or other equivalent periods of time as may be applicable once enrolled at an eligible institution. The data shall be reported by institution attended, by the instructional program, and by scholarship category and shall include the percent of students losing scholarship eligibility due to not earning the minimum number of credit hours, the percent of students losing scholarship eligibility due to not having the required cumulative grade point average, the percent of students losing scholarship eligibility for failing to make satisfactory academic progress and the percentage of students losing scholarship eligibility for failing to enroll. The same information shall also be reported by categories showing those students qualifying through WORKKEYS scores and GED scores and by the group of students
who attended a home-based educational program and did not graduate from an eligible high school;

(iii) The persistence rates at the eligible institutions of freshmen, sophomore, junior and senior students receiving a scholarship reported by scholarship category and by award year;

(iv) The graduation rates or rates of completion of the chosen post-secondary education program if otherwise applicable for students receiving a scholarship reported by scholarship category and award year, including for those graduating with an academic degree at the baccalaureate level the rate for persons graduating within four (4) years, within five (5) years and within six (6) years, respectively and including for those graduating with a certificate or associate degree the rate for persons graduating within one (1), two (2) and three (3) years;

(v) The mean length of time required for a student receiving a scholarship under this article to graduate with a degree or to complete the certificate program with such information being reported by scholarship category and by award year;
(vi) An annual report on the number of applicants as well as the percent of high school graduates by high school district who apply for a scholarship by scholarship category, and the percent of those students who are awarded a scholarship and subsequently enroll in an eligible institution;

(vii) Statistical studies on the relationship between the courses taken and grades earned by a high school student and the student’s score on the ACT or WORKKEYS test. Relative to public high schools, such statistical studies shall use student course and grade data that is otherwise available from the schools and such studies shall be conducted at no additional cost to the governing authority of any public high school;

(viii) Statistical studies on the relationship between the courses taken and the grades earned in high school and the student's college or university GPA.

(d) The annual report by the department shall be submitted to the governor and the legislature in accordance with W.S. 9-2-1014.
(e) The department may conduct an audit of any eligible institution participating in the scholarship program under this article to determine compliance with any provision of this article.

21-16-1309. Scholarship amounts.

(a) To the extent a scholarship under this article would, when combined with any grant or scholarship from a student financial aid program administered through the state or any state institution, in any semester exceed the cost of attendance at the eligible institution, the scholarship under this article shall be reduced by the amount necessary to not exceed that cost of attendance.

(b) To the extent sufficient funds are not available in the expenditure account to fund all scholarships as provided under this article:

(i) Funds available for scholarships under W.S. 21-16-1304 and 21-16-1305 shall be used for scholarships under W.S. 21-16-1306 after all scholarships under W.S. 21-16-1304 and 21-16-1305 have been paid;
(ii) Funds available for scholarships under W.S. 21-16-1306 shall be used for scholarships under W.S. 21-16-1304 and 21-16-1305 after all scholarships under W.S. 21-16-1306 have been paid;

(iii) After all funds within the expenditure account have been expended, funds within the Hathaway student scholarship reserve account shall be used to fund any remaining scholarships awarded under this article;

(iv) If no funds remain available in the expenditure account or reserve account at the time payment is required to be made to an institution for any semester, the payment to the eligible institutions shall be reduced on a first come first served basis using the student's application date for the scholarship.

21-16-1310. Legislative oversight and authority.

Nothing in this article shall be construed to constitute an entitlement to a scholarship established and funded by the legislature. Wyoming Hathaway scholarships shall be subject to legislative appropriation and the legislature reserves
the right to modify or terminate the program established under this article at any time.

Section 2. W.S. 21-4-501 by creating a new subsection (e), 21-16-1201(d), 21-17-105(a) and (b)(intro) and 21-17-114(a) are amended to read:

21-4-501. Payment of tuition for children resident in districts which maintain no high school; admission of children to high schools in other districts; state board approval for out-of-state placements; duties of admitting districts; tuition amount.

(e) Any out-of-state placement under subsection (a) of this section shall include within the agreement with the out-of-state school district, that district's agreement to provide student transcripts as required under W.S. 21-16-1308(a)(ii).

21-16-1201. Excellence in higher education endowment account; student scholarship endowment account; distributions by state treasurer; legislative restrictions.
(d) Commencing with the fiscal year beginning July 1, 2006, earnings from the Hathaway student scholarship endowment account created by this article shall be transferred by the state treasurer to the Hathaway scholarship expenditure account created by W.S. 21-16-1302. Any subsequent deposits to this the Hathaway student scholarship endowment account mandated by law or appropriation shall remain in the account until otherwise used to support scholarship programs as specified by law.

21-17-105. Tuition to be as nearly free as possible; number, qualifications and selection of students for reduced tuition; reciprocal residency.

(a) To the end that none of the youth of the state who crave the benefits of higher education may be denied, and that all may be encouraged to avail themselves of the advantages offered by the university or community colleges, tuition shall be as nearly free as possible, and it shall be wholly free reduced by five hundred dollars ($500.00) per semester to either the university or any community college in the state, as elected by the student, to three (3) students annually from each county as are selected and appointed by the board of county commissioners therein.
Scholarships under this section shall be in addition to any Hathaway scholarship awarded a student under W.S. 21-16-1301 et seq., but shall be considered for purposes of calculating unmet financial need for Hathaway need based scholarships.

(b) Students shall be appointed after due consideration of the individual student's extra curricular activity, scholastic ability and American college testing score. Grade point average and American college testing scores shall be equally weighted. For any entering student who fails a math or English placement test, the reduced tuition scholarship under this section is not effective. Notwithstanding the provisions of subsection (a) of this section, the county commissioners may award one (1) additional scholarship each year as a renewal to a student maintaining above a 2.50 average, provided that the total number of students receiving original and renewal scholarships in any county in any year shall not exceed:

21-17-114. Scholarship fund for students planning teaching careers authorized; eligibility; rulemaking authority granted.
(a) The board of trustees is authorized to establish a tuition scholarship fund for students planning teaching careers. The purpose of this tuition scholarship fund is to encourage Wyoming students demonstrating superior academic achievement to pursue careers in teaching within the state of Wyoming. Each year the board may award scholarships to sixteen (16) Wyoming high school graduates covering costs five hundred dollars ($500.00) per semester of the cost of tuition at the university or any community college in the state who major in education. No student is eligible to apply for a scholarship under this section unless the student or his mother, father or lawful guardian is a resident of Wyoming and has been a resident of Wyoming for at least five (5) years. Scholarships under this section shall be in addition to any Hathaway scholarship awarded a student under W.S. 21-16-1301 et seq., but shall be considered for purposes of calculating unmet financial need for Hathaway need based scholarships.

Section 3.

(a) The legislature recognizes that eligible institutions will have made substantial scholarship commitments to students who plan to enroll for the fall of
2006 school year by the time this act is enacted into law. Notwithstanding any other provision of this act:

(i) For the 2006-2007 school year, any Hathaway scholarship provided under this act, except need based scholarships provided under W.S. 21-16-1306, shall be reduced by the amount of the eligible institution’s scholarship commitment made to that student for that school year, but the institution shall honor that commitment to the student in accordance with its terms for that year;

(ii) In subsequent years for students receiving Hathaway scholarships for the 2006-2007 school year to whom eligible institutions made institutional scholarship commitments beyond the 2006-2007 school year, the Hathaway scholarships provided under this act shall not be reduced as provided in paragraph (i) of this subsection, but the institution may reduce its annual institutional scholarship commitment to the student by an amount not to exceed the Hathaway scholarship funds provided to the student, excluding need based scholarships provided under W.S. 21-16-1306, so that the Hathaway scholarship supplants and is not an addition to the institutional scholarship. To the extent that the institution reduces its scholarship
commitments under this paragraph, the institution shall specify the purposes for which those commitments were reallocated in its report required under section 4 of this act.

(b) For purposes of this section "scholarship commitment" means an existing scholarship, a scholarship award letter or a scholarship offer made by the eligible institution.

Section 4. The University of Wyoming and each community college shall report biennially to the joint education and joint appropriations interim committees on the use of all scholarship funds controlled by the institution, exclusive of federal funds. The report shall show the total scholarship funds, including scholarship funds granted via tuition discounts, for the most recently completed biennium contrasted with the biennium ending June 30, 2006. The report shall show how any funds supplanted by Hathaway scholarships have been reallocated for other scholarship and student financial aid programs or have been rebudgeted for other purposes and the plans for such funds for the coming biennium. The report shall describe the extent to which the university and community colleges have
included within regular written or electronic communications transmitted to alumni of the institutions, information on the progress of the scholarship programs established under this article and information on making contributions to the Hathaway student scholarship endowment account.

Section 5. Notwithstanding W.S. 21-16-1308(a)(v) created by this act, the state treasurer shall make prepayments under this act to eligible institutions in accordance with this section for the school years commencing in the fall of 2006, 2007, 2008 and 2009. For each of those school years the state treasurer, in consultation with the University of Wyoming, the Wyoming community college commission and the department of education, shall project the anticipated payments due each eligible institution under this act. For the fall semesters of each of those school years the state treasurer, not later than September 1 of each year, shall pay each institution seventy-five percent (75%) of the anticipated payment due for that semester. The same prepayment shall be made for the following spring semester not later than January 15. Payments of the balance due the institution shall be made in accordance with W.S.
21-16-1308(a)(v). Should a prepayment under this section exceed the amount actually due the institution under this act for any semester, the excess amount shall be deducted from the next payment made.

Section 6. The scholarships provided under this act shall begin for students graduating from an eligible high school or a home-based educational program or receiving a GED after April 1, 2006 and shall be provided beginning with the fall semester 2006.

Section 7. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)