

COUNCIL OF THE DISTRICT OF COLUMBIA
D.C. Law 20-107, effective June 4, 2014
(Delayed Applicability)

20 DCSTAT 3219

AN ACT

Bill 20-528
Act 20-306
effective
March 31,
2014

Codification
District of
Columbia
Official Code
2001 Edition

To establish the DC Promise program to provide grants to institutions of higher education on behalf of eligible individuals, to establish a nonlapsing fund to support the program, to establish eligibility criteria and conditions of participation, to establish grant award amounts, to require the Mayor to establish an educational grant program for individuals over 24 years of age, and to require the Mayor to issue rules to implement this act.

DC Promise
Establishment
Act of 2014

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “DC Promise Establishment Act of 2014”.

Sec. 2. Definitions.

For the purposes of this act, the term:

New Chapter
27B, Title 38
New
§ 38-2751

(1) “Academic year” shall have the same meaning as provided in 34 CFR § 668.3.

(2) “Area Median Income” or “AMI” means the area median income, adjusted for household size, for the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development.

(3) “DC TAG” means the tuition assistance grant program established pursuant to the District of Columbia College Access Act of 1999, approved November 12, 1999 (113 Stat. 1323; D.C. Official Code § 38-2701 *et seq.*), and administered by the Office of the State Superintendent of Education.

(4) “Fund” means the DC Promise Fund established by section 4.

(5) “Home school student” means a student in the District of Columbia who is participating or has participated in a home schooling program that meets the requirements set forth in District law and regulation.

(6) “Institution of higher education” means an educational institution that:

(A) Admits as regular students persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of a secondary school diploma;

(B) Is legally authorized within a state to provide a program of education beyond secondary education;

(C) Provides:

(i) An educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree; or

(ii) Not less than a one-year program of training to prepare students for gainful employment in a recognized occupation;

(D) Is a public or private nonprofit institution; and

(E) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the Secretary of Education of the United States Department of Education for the granting of pre-accreditation status, and the Secretary of Education has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

(7) “Non-tuition expenses” means costs associated with attending an institution of higher education, excluding tuition and fees, as determined by the Mayor through rulemaking.

(8) “Recognized equivalent of a secondary school diploma” means a general equivalency degree or other such equivalent as determined by the Mayor through rulemaking.

(9) “Satisfactory academic progress” means maintaining an academic standing consistent with the requirements for graduation, as determined by the institution of higher education; provided, that an institution of higher education may waive this requirement based on undue hardship because a student has:

(A) Experienced the death of a relative;

(B) A personal injury or illness; or

(C) Another special circumstance as determined by the institution of higher education to warrant a waiver.

Sec. 3. DC Promise establishment; administration.

New
§ 38-2752

(a) There is established the DC Promise program. The purpose of DC Promise is to assist individuals in obtaining post-secondary education or training by providing grants to institutions of higher education to support the costs associated with tuition and non-tuition expenses not covered by other non-loan assistance.

(b)(1) Except as provided in paragraph (2) of this subsection, the Mayor shall administer DC Promise.

(2) If the Mayor determines that it would result in more efficient administration, the Mayor may enter into a grant, contract, or cooperative agreement with another public entity or with a private entity to administer DC Promise; provided, that the entity selected has a minimum of 5 years of experience in the administration of a college scholarship program.

Sec. 4. DC Promise Fund.

New
§ 38-2753

(a)(1) There is established as a special fund the DC Promise Fund, which shall be administered by the Mayor in accordance with subsections (c) and (d) of this section.

(b) The Fund shall consist of revenue from the following sources:

(1) Annual appropriations, if any; and

(2) Grants, gifts, or subsidies from public or private sources.

(c) Except as provided in subsection (d) of this section, the Fund shall be used solely for the purposes of this act.

(d) The Mayor may use not more than 5% of the funds deposited into the Fund to pay the administrative expenses of DC Promise for the fiscal year.

(e)(1) The money deposited in the Fund, and any interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

Sec. 5. Eligibility.

New
§ 38-2754

(a) An individual is eligible to participate in DC Promise if the individual:

(1) On or after January 15, 2015:

(A) Has graduated from a District secondary school;

(B) Has obtained a recognized equivalent of a secondary school diploma;

or

(C) Is a home school student who has completed a secondary school program;

(2) Except as provided in subsection (c) of this section, has attended a District secondary school for grades 9 through 12;

(3) Has not already completed a bachelor's degree at an institution of higher education;

(4) Has been accepted for enrollment on at least a half-time basis into an institution of higher education;

(5) Was domiciled in the District for not less than the 12 consecutive months preceding the commencement of enrollment at an institution of higher education or the time of application to DC Promise; and

(6) At the time of application to DC Promise is:

(A) Domiciled in the District;

(B) 24 years old or younger; and

(C) From a family with an annual household taxable income of no more than 200% of the AMI.

(b) In addition to the eligibility requirements set forth in subsection (a) of this section, an individual must begin at least half-time study at an institution of higher education within 3 calendar years of graduating from a secondary school in the District, obtaining the recognized equivalent of a secondary school diploma, or, in the case of a home school student, completing a secondary school program, excluding any period of service on active duty in the armed forces or service under the Peace Corps Act, approved September 22, 1961 (75 Stat. 612; 22 U.S.C. § 2501 *et seq.*), or subtitle D of title I of the National and Community Service Act of 1990, approved November 16, 1990 (104 Stat. 3150; 42 U.S.C. § 12501, note).

(c) An individual who receives a recognized equivalent of a secondary school diploma or who is a home school student who has completed a secondary school program shall be exempt from the requirement of subsection (a)(2) of this section; provided, that the Mayor may establish through rulemaking an alternative eligibility requirement for these individuals in lieu of the requirement set forth in subsection (a)(2) of this section.

(d) Notwithstanding the requirements of subsection (a)(1)(A), (2), (5) and (6)(A), an individual in the District's foster care system who was placed outside the District by the foster care system who meets the eligibility requirements of subsection (a)(1)(B), (3), (4) and (6)(B) and (C) of this section shall be deemed eligible to participate in DC Promise.

(e) Subject to the availability of funds, the Mayor may expand by rulemaking eligibility for DC Promise to include individuals not eligible under the terms of this section.

Sec. 6. Conditions of participation.

New
§ 38-2755

(a) As a condition of participation, an individual eligible for federal financial aid shall apply for federal financial aid and provide proof to the Mayor of application for and the acceptance or denial of federal financial aid.

(b) To maintain DC Promise eligibility, an individual shall:

- (1) Maintain at least half-time-status at an institution of higher education;
- (2) Maintain satisfactory academic progress at the institution of higher education;
- (3) Continue to be domiciled in the District of Columbia throughout attendance at the institution of higher education; and
- (4) Meet any other requirements determined by the Mayor to be necessary or appropriate, as set forth in rulemaking.

Sec. 7. DC Promise grants.

New
§ 38-2756

(a) The maximum grant award available through the DC Promise program for an individual from a family that has an annual household taxable income:

- (1) Of no more than 80% of the AMI, shall be \$7,500 for any academic year with a lifetime total of not more than \$37,500;
- (2) Greater than 80% but less than or equal to 125% of the AMI, shall be \$5,000 for any academic year with a lifetime total of not more than \$25,000; and
- (3) Greater than 125% but less than or equal to the maximum eligible income as set forth in regulations issued pursuant to this act, shall be \$2,500 for any academic year with a lifetime total of not more than \$12,500.

(b) In addition to the maximum grant awards set forth in subsection (a) of this section, up to \$10,000 per academic year may be made available for a DC Promise participant who has been in the District's foster care system.

(c) No grant award shall be made available to an institution of higher education on behalf of a DC Promise participant more than 6 years from the date the individual was first enrolled in the institution of higher education.

(d) The Mayor shall prorate DC Promise grant awards for students who attend an eligible institution on less than a full-time basis; provided, that no grant award shall be available for a student who attends an eligible institution of higher education on less than a half-time basis.

(e)(1) A DC Promise grant awarded on behalf of a DC Promise participant shall be provided directly to the institution of higher education the DC Promise participant is attending to be used as follows:

(A) If the institution of higher education participates in DC TAG, the DC Promise grant shall be used to pay costs associated with non-tuition expenses that have not been satisfied by any:

- (i) Federal grants or other federal non-loan assistance;
- (ii) Need-based or merit-based grants from the institution of higher education;
- (iii) Payments awarded pursuant to the DC TAG program;
- (iv) Scholarships; or
- (v) Other non-loan assistance.

(B) If the institution of higher education does not participate in the DC TAG program, the DC Promise grant shall be used to pay costs associated with tuition, fees, and non-tuition expenses that have not been satisfied by any:

- (i) Federal grants or other federal non-loan assistance;
- (ii) Need-based or merit-based grants from the institution of higher education;
- (iii) Payments awarded pursuant to the DC TAG program;
- (iv) Scholarships;
- (v) Tuition or fee waivers;
- (vi) Tuition remission that could only be used for tuition and fees; or
- (vii) Other non-loan assistance.

(2) If the participant's eligible costs are satisfied by non-loan assistance, a DC Promise grant shall not be available for the period financed by the non-loan assistance.

(f) A DC Promise grant shall, in all cases, supplement and not supplant non-loan assistance that is provided to a DC Promise participant.

(g) The Mayor, in accordance with regulations issued pursuant to this act, may reduce grant awards if funds available to DC Promise are insufficient to meet the award levels established in this section and to prohibit an institution of higher education from receiving DC Promise grants based on a pattern of academic failure of DC Promise participants.

Sec. 8. Adult education.

(a) In addition to the grant awards available pursuant to section 7, the Mayor shall:

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20 DCSTAT 3224

(1) Establish a grant award program within DC Promise to support post-secondary education and training opportunities for individuals who exceed the maximum eligibility age established in section 5(a)(6)(B); and

(2) By January 1, 2015, establish eligibility criteria and award levels for this program through rulemaking.

(b) The Mayor may use funds in the Fund to support grants awarded pursuant to this section.

Sec. 9. Rules.

The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), shall issue rules to implement the provisions of this act.

**New
§ 38-2758**

Sec. 10. Applicability.

This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in a certification published by the Council in the District of Columbia Register.

**Delayed
Applicability**

Sec. 11. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer, dated February 3, 2014, as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 12. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.