

David A. Catania
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AN AMENDMENT

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Date: February 4, 2014

Amendment offered by: Councilmember David A. Catania

to: B20-528. The DC Promise Establishment Act of 2014

Version:	Introduced	<u> </u>
	Committee Print	<u> X </u>
	First Reading	<u> X </u>
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Amendment in the nature of a substitute – see attached

1 B20-528
2 Committee on Education
3 Draft Amendment in Nature of a Substitute
4 February 3, 2014
5

6 A BILL
7
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9 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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12 To establish the District of Columbia Promise program to provide grants to institutions of higher
13 education on behalf of eligible individuals, to establish a nonlapsing fund to support the
14 program, to establish eligibility criteria and participant obligations, to establish grant
15 award amounts, to require the Mayor to establish an educational grant program for
16 individuals over 24 years of age, and to require the Mayor to issue rules to implement
17 this act.
18

19 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
20 act may be cited as the "DC Promise Establishment Act of 2013".
21

22 Sec. 2. Definitions.

23 For purposes of this act, the term:

24 (1) "Academic year" shall have the same meaning as set forth in 34 CFR § 668.3.

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

28 (3) "DC Promise" means the District of Columbia Promise program established by
29 section 3.

30 (4) "Home school student" means a student in the District of Columbia that is or has
31 participated in a home schooling program that meets the requirements set forth in District law
32 and regulation.

33 (5) "Institution of higher education" means an educational institution that:

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

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

6 (C) Provides:

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

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

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

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

19 (6) "~~Non-tuition expenses~~~~Other allowable costs~~" means costs associated with attending
20 an institution of higher education, excluding tuition and fees, as determined by the Mayor
21 through rulemaking.

22 (7) "Recognized equivalent of a secondary school diploma" means a general equivalency
23 degree or other such equivalent as determined by the Mayor through rulemaking.

(8) "Satisfactory academic progress" means maintaining an academic standing consistent with the requirements for graduation, as determined by the institution; 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 to warrant a waiver.

Sec. 3. DC Promise establishment; administration.

(a) There is established the District of Columbia 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 other allowable costs 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.

(a)(1) There is established the DC Promise Fund ("Fund"). The funds deposited in the Fund, and any interest earned on those funds, 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 by Congress, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

(b) There shall be deposited into the Fund:

(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.

Sec. 5. Eligibility.

(a) Except as provided in subsection (c) of this section, 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; ~~or~~

(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) 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;

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

4 (6) At the time of application is:

5 (A) Domiciled in the District;

6 (B) 24 years old or younger; and

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

9 (b) In addition to the eligibility requirements set forth in subsection (a) of this section, an
10 individual must begin at least half-time study at an institution of higher education within 3
11 calendar years of graduating from a secondary school in the District or, obtaining the recognized
12 equivalent of a secondary school diploma, or in the case of a home school student completing a
13 secondary school program, excluding any period of service on active duty in the armed forces, or
14 service under the Peace Corps Act or subtitle D of title I of the National and Community Service
15 Act of 1990.

16 (c)(1) An individual, ~~including a home school student,~~ who receives a recognized
17 equivalent of a secondary school diploma or who is a home school student who has completed a
18 secondary school program shall be exempt from the requirement of subsection (a)(2) of this
19 section; provided, that the Mayor may establish through rulemaking an alternative eligibility
20 requirement for these individuals in lieu of the requirement set forth in subsection (a)(2) of this
21 section.

22 (d) Notwithstanding the requirements of subsection (a)(1)(A), (2), (5) and (6)(A), an
23 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.

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

(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.

(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 ~~850%~~ of the AMI, shall be ~~\$7,500~~~~12,000~~ for any academic year with a lifetime total of not more than ~~\$37,500~~~~60,000~~;

~~(2) Greater than 50% but less than or equal to 80% of the AMI, shall be \$9,000 for any academic year with a lifetime total of not more than \$45,000;~~

1 (23) Greater than 80% but less than or equal to 125% of the AMI, shall be
2 \$~~6,000~~5,000 for any academic year with a lifetime total of not more than \$~~30,000~~25,000; and

3 (34) Greater than 125% but less than or equal to the maximum eligible income as
4 set forth in regulations issued pursuant to this act, shall be \$~~3,000~~2,500 for any academic year
5 with a lifetime total of not more than \$~~15,000~~12,500.

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

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

12 (d) ~~For any DC Promise participant that is at less than full-time enrollment, the Mayor~~
13 ~~shall reduce the grant award accordingly. The Mayor shall prorate DC Promise grant awards for~~
14 ~~students who attend an eligible institution on less than a full-time basis~~ No grant award shall be
15 available for a participant below half-time level.

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

19 (A) If the institution of higher education participates in the DC Tuition Assistance
20 Grant (DC TAG) program, the DC Promise grant shall be used to ~~shall be provided directly to~~
21 ~~the institution of higher education and shall pay for costs associated with non-tuition expenses~~
22 that have not been satisfied by any federal grant or other federal non-loan assistance, need-based

1 or merit-based grants from the institution of higher education, payments awarded pursuant to the
2 DC TAG program, scholarships, or other non-loan assistance; or

3 (B) If the institution of higher education does not participate in the DC TAG
4 program, the DC Promise grant shall be used to pay for costs associated with ~~be used only to~~
5 ~~pay for charges associated with tuition, fees and other allowable costs~~ non-tuition expenses that
6 have not been satisfied by any federal grant or other federal non-loan assistance, need-based or
7 merit-based grants from the institution of higher education, payments awarded pursuant to the
8 ~~DC Tuition Assistance Grant~~ TAG program, scholarships, tuition or fee waivers, tuition
9 remission that could only be used for tuition and fees, or other non-loan assistance.

10 (2) If the participant's ~~full-eligible costs~~ tuition and other allowable costs are
11 satisfied by non-loan assistance, a DC Promise grant shall not be available for the period
12 financed by the non-loan assistance.

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

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

19 Sec. 8. Adult education.

20 (a) In addition to the awards available pursuant to section 7, the Mayor shall establish a
21 grant award program within DC Promise to support post-secondary education and training
22 opportunities for individuals that exceed the maximum eligibility age established in section

1 5(a)(6)(B) and shall by January 1, 2015 establish eligibility criteria and award levels through
2 rulemaking.

3 (b) The Mayor is authorized to use funds in the Fund to support grants awarded pursuant
4 to this section.

5 Sec. 9. Rulemaking.

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

9 Sec. 10. Applicability.

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

13 Sec. 11. Fiscal impact statement.

14 The Council adopts the fiscal impact statement in the committee report as the fiscal
15 impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,
16 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

17 Sec. 12. Effective date.

18 This act shall take effect following approval by the Mayor (or in the event of veto by the
19 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
20 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
21 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)) and publication in the District of
22 Columbia Register.