



LEGISLATIVE BRIEF

UNDERSTANDING PUBLIC CHAPTER 794: THE FINANCIAL AID SIMPLIFICATION FOR TENNESSEANS (FAST) ACT

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Kristina Podesta | *Legislative Research Analyst* | Kristina.Podesta@cot.tn.gov

Introduction

Public Chapter 794 (2020), called the Financial Aid Simplification for Tennesseans (FAST) Act, was unanimously passed by the Tennessee General Assembly in June 2020 and has broad implications for higher education. The act affects over a dozen financial aid programs, adds to the powers of the Tennessee Higher Education Commission (THEC), and clarifies the purpose and structure of the Tennessee Student Assistance Corporation (TSAC), among other minor changes. This legislative brief explains the act in three parts: changes to the powers and operations of THEC and TSAC, changes to financial aid, and other changes.

How did the FAST Act change THEC and TSAC's powers and operations?

Procurement exemption for THEC and TSAC

According to Tennessee law, the purchasing and contracting of all goods and services, utilities (e.g., telephone and power), postal services, and leased equipment on behalf of state authorities using public funds is subject to oversight by the Central Procurement Office (CPO), a unit within the Department of General Services. For example, in 2019, THEC contracted with several of the state's community and technical colleges in order to distribute the \$25 million appropriated by the General Assembly as part of the Governor's Investment in Vocational Education (GIVE) program.^A The CPO oversaw these contracts and had to give approval before the funds could be distributed by THEC to the institutions.

What is public procurement?

Public procurement is the purchasing and contracting of goods and services, utilities, postal services, and leased equipment by public authorities using public funds. In Tennessee, the procurement process is usually completed by the Central Procurement Office (CPO), a unit within the Department of General Services.

Some governmental entities are exempt from the state's standard procurement process and can procure goods and services, utilities, postal services, and leased equipment without the CPO's involvement. These entities include the state university boards (e.g., the University of Memphis board of trustees) and the Tennessee Board of Regents (TBR), which governs the state's community and technical colleges. The FAST Act adds THEC and TSAC to the list of exempt governmental entities. Both TSAC and THEC receive funds from the state and federal governments, in addition to other entities, that must be distributed to Tennessee's colleges and universities. Adding THEC and TSAC to the list of exempt governmental entities allows them to receive such funds and pass them on more quickly to colleges and universities.

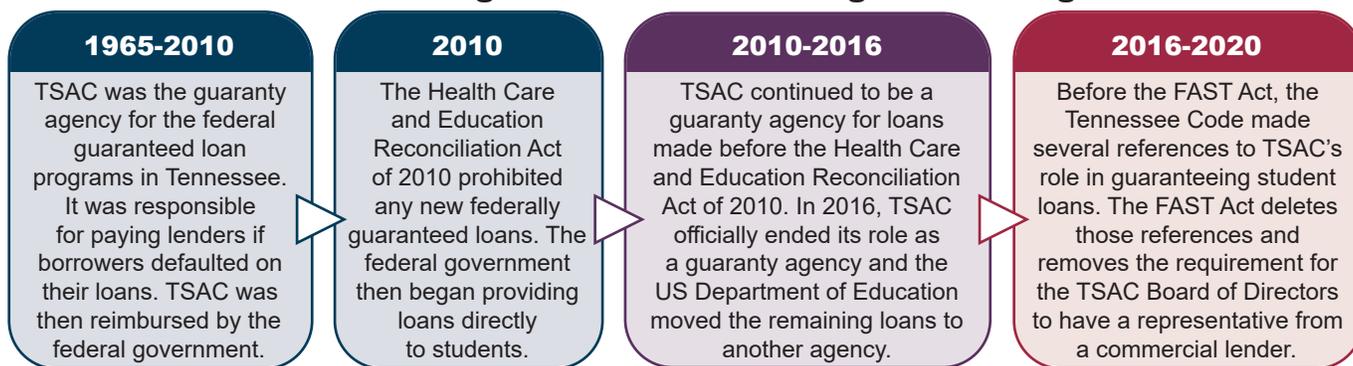
As exempt entities, THEC and TSAC must develop their own procurement policies, procedures, and guidelines in order to comply with certain state and federal requirements. In addition, THEC and TSAC purchase and contract actions will remain subject to audit by the Comptroller's Office.

^A The GIVE program facilitated the alignment of higher education practices with local workforce needs through a \$25 million competitive grant process. Local collaboratives, which included local economic and educational officials, served as the facilitators for each GIVE grant. Each collaborative had to include at least one state community or technical college and those institutions served as the fiscal agent (i.e., received and distributed the grant funds) on behalf of each local collaborative.

Clarifying TSAC's role in guaranteeing student loans

Between 1965 and 2010, the federal government encouraged private lenders to provide loans to students and their parents by guaranteeing the repayment of those loans through the Federal Family Education Loan (FFEL) Program.^B For example, if a private lender provided a federally guaranteed loan to a student, who later could not repay the loan, the federal government would ensure the remaining balance of the loan was paid to the private lender. To implement the FFEL program, the federal government contracted with state entities or private, nonprofit agencies to act as the guaranty agencies, which were then responsible for paying the remaining balance to a lender if a borrower was unable to pay the loan. The federal government would then reimburse the guaranty agency. Upon payment to the lender, the guaranty agency then owned the debt and was responsible for collecting the defaulted loan amount from the borrower. In Tennessee, TSAC was the guaranty agency under the FFEL program.

Exhibit 1: Timeline of changes to TSAC's role in guaranteeing student loans



In 2010, Congress passed legislation that ended the FFEL program. Following the law's passage, no new federally guaranteed loans were given, though TSAC continued to be the guaranty agency for existing loans. In 2016, TSAC formally withdrew from the legacy FFEL program and ended its role in guaranteeing and collecting student loans. The U.S. Department of Education then moved its guaranty portfolio and associated responsibilities from TSAC to the Educational Credit Management Corporation, a nonprofit corporation based in Minnesota that focuses on financial education services for students and loan collection.

The FAST Act removes sections from state law that outlined or referred to TSAC's former role as a guaranty agency. In addition, it removes the requirement for the TSAC Board of Directors to have a representative from a commercial lender because TSAC no longer guarantees student loans.

Changes to the composition of THEC and the TSAC Board of Directors

The FAST Act removes the requirement for the TSAC Board of Directors to include the THEC Executive Director. Because the TSAC Board of Directors is responsible for the oversight of TSAC and its operations, having the executive director of THEC – who is also the executive director of TSAC as of 2009 – on its board represented a conflict of interest.

As explained earlier, the FAST Act also removes the requirement for the TSAC Board of Directors to include a commercial lender representative since TSAC no longer guarantees student loans.

^B The FFEL program, authorized by the federal Higher Education Act of 1965, was originally called the "Guaranteed Student Loan (GSL) program," but was renamed "Federal Family Education Loan (FFEL) Program" in 1992.

The FAST Act also makes two other minor changes to THEC and the TSAC Board of Directors:

- It removes the requirement for THEC to meet jointly with the State Board of Education annually. The executive director of the State Board of Education will continue to serve as a nonvoting member of THEC.
- It removes the chair of the Tennessee Independent Colleges and Universities Association (TICUA) from the TSAC Board of Directors. The president of TICUA remains a member of the TSAC Board.

How did the FAST Act change financial aid?

Over the last several decades, the General Assembly has approved dozens of new financial aid programs, each with eligibility criteria and rules for implementation. The FAST Act attempts to streamline the state’s financial aid programs by removing several programs, bringing more consistency to definitions provided in law, and adjusting specific programs.

Programs ended by the FAST Act

The FAST Act ends four financial aid programs: the Tennessee Teaching Scholars Program, the Christa McAuliffe Scholarship Program, the Tennessee HOPE Teacher’s Scholarship (also called the Tennessee Math and Science Teacher Loan Forgiveness Program), and the Tennessee HOPE Access Grant. The act outlines the final application date for each program, as shown in Exhibit 2. One program, the Tennessee HOPE Access Grant, will accept final applications in 2021, while the final application date for the other three programs was August 1, 2020. Current students may continue receiving funding through these programs as long as they remain eligible.^c

Exhibit 2: The final application dates established in the FAST Act | by program

The final application date was August 1, 2020			The final application date will be September 1, 2021
Tennessee Teaching Scholars Program	Christa McAuliffe Scholarship Program	Tennessee HOPE Teacher’s Scholarship	Tennessee HOPE Access Grant

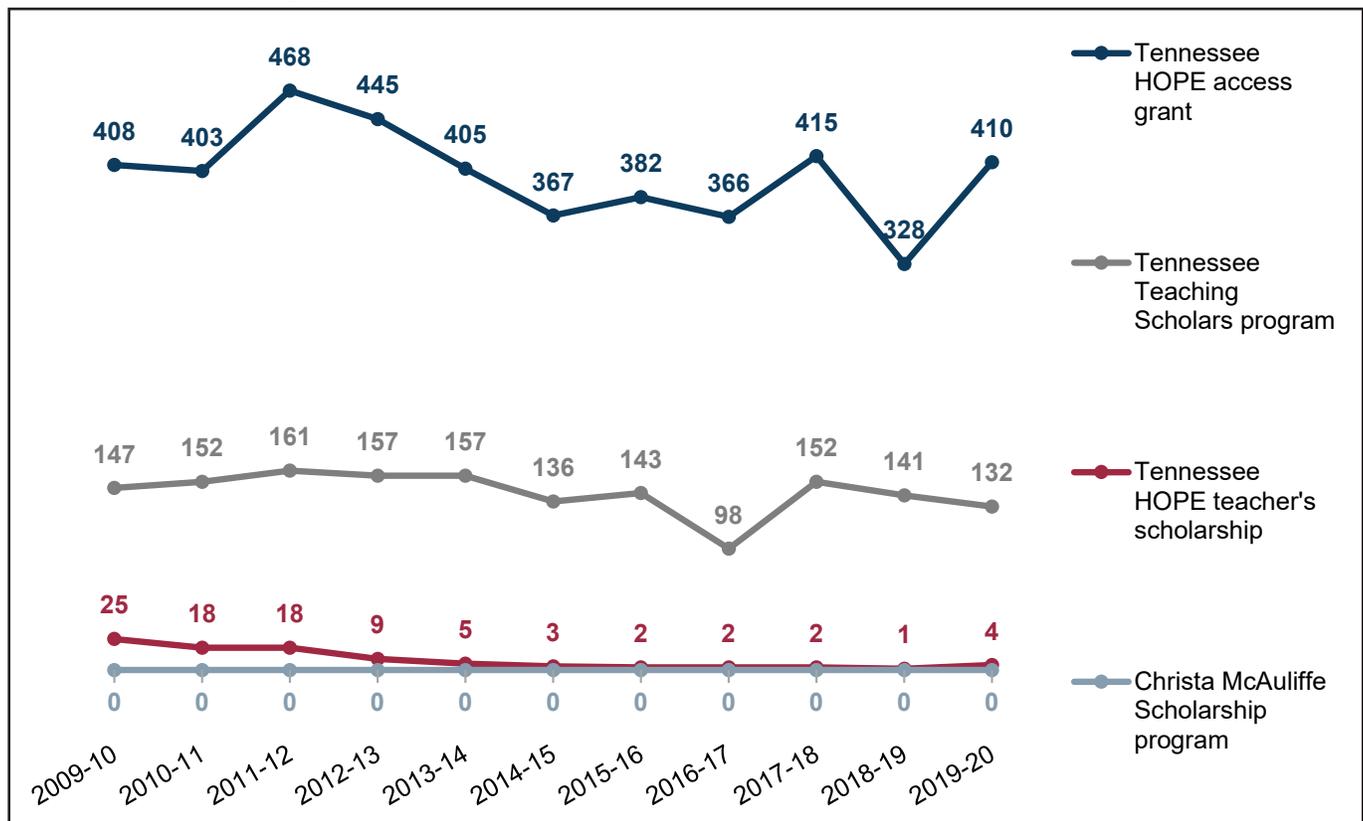
For two of the programs, the Tennessee Teaching Scholars Program and the Tennessee HOPE Teacher’s Scholarship, TSAC provided loans to students who pledged to work in a Tennessee public school upon graduating. Students could apply for one loan per year while enrolled in a teacher preparation program in the state. After graduating, those in the Tennessee Teaching Scholars Program could have one loan forgiven for each year they taught in a Tennessee public school, while recipients of the Tennessee HOPE Teacher’s Scholarship could have one loan forgiven for every two years they taught in a Tennessee public school. For example, a student who received a Tennessee Teaching Scholars award for three years must then teach three years in a Tennessee public school to have all the loans forgiven. If a student does not complete their teaching commitment, TSAC is required to collect payment from the recipient on the loans. As explained on page 2, however, TSAC has reduced its role in student loan collections in recent years. TSAC’s reduced role – combined with low participation in the Tennessee HOPE Teacher’s Scholarship – prompted THEC to end both of these programs. (See Exhibit 3 for Tennessee HOPE teacher’s scholarship enrollment numbers.)

^c The Christa McAuliffe Scholarship has not had any participants in the last 10 years and no students remained eligible after August 1, 2020. The scholarship terminated at that time.

The Christa McAuliffe Scholarship awarded a one-time scholarship of \$500 to students enrolled full-time in a teacher education program. Funding for the program came from the annual interest earned on the contributions made by private citizens in 1986, when the program began. THEC chose to end the program due to low participation and a lack of sustainable funding from the interest income.

Since 2015, the Tennessee Promise scholarship has been available to all recent high school graduates in Tennessee, providing them an opportunity to earn an associate degree or technical diploma free of tuition and mandatory fees. Given Promise’s availability, THEC decided to end the HOPE Access Grant and direct students to Tennessee Promise instead. Tennessee Promise, however, can be used only at institutions that offer associate, diploma, or certificate programs, while the HOPE Access Grant can be used at institutions that offer associate and bachelor’s degree programs. This means that once the HOPE Access Grant ends in 2021, students enrolling at most public four-year universities (e.g., Middle Tennessee State University) cannot replace the HOPE Access Grant with Tennessee Promise. In the 2019-20 academic year, 48 percent of HOPE Access Grant recipients (196 students) were enrolled in a four-year university.

Exhibit 3: Enrollment of students in the four financial aid programs ended by the FAST Act | by year



Clarifying residency qualifications

In 2016, the FOCUS Act (Public Chapter 869, 2016) removed all state universities, except those in the University of Tennessee system, from TBR governance and created individual governing boards for each of them. In recognition of this change, the Focus Act added these university boards to the list of entities that can create rules and regulations to classify students as “Tennessee residents” for the purpose of determining whether a student will be charged in-state or out-of-state tuition. Both the University of Tennessee Board of Trustees and TBR already had this ability prior to passage of the Focus Act.

Currently, rules and regulations created by TBR and the state university boards consider those who have lived in Tennessee for at least one year to be “Tennessee residents.” Some institutions have made exceptions for students who live near the institution but across state lines. For example, some individuals who live outside the state are not charged out-of-state tuition at Austin Peay State University, which is located in a county on Tennessee’s northern border. The related rule at Austin Peay states:

A person whose domicile is in a county of another state lying immediately adjacent to Montgomery County [the county in which Austin Peay is located], or whose place of residence is within thirty (30) miles of Austin Peay State University shall be classified out-of-state but shall not be required to pay out-of-state tuition at Austin Peay State University.¹

The 2016 Focus Act gave university boards the power to determine residency:

“The board of regents and **each state university board** are authorized to establish from time to time reasonable and appropriate **rules and policies defining residency of students**, which shall be used for the purpose of determining **whether or not out-of-state tuition shall be charged** to a student enrolling in a state college or university subject to this chapter.”

Tennessee Code Annotated § 49-8-104
(emphasis added)

Many of Tennessee’s financial aid programs predate the 2016 Focus Act, and the residency definitions for these programs included in state law did not match the definitions created by TBR and the state university boards following the FOCUS Act’s passage. The FAST Act removes specific definitions of “Tennessee resident” from state law for these financial aid programs and replaces them with references to the authority of TBR and the state university boards to create rules and policies defining residency of students.

The FAST Act updates definitions of “Tennessee resident” for the following programs:

- Dependent Children Scholarship
- HOPE Scholarships^D
- Tennessee Middle College Scholarship
- Helping Heroes Grant
- Tennessee Promise
- Wilder-Naifeh Technical Skills Grant
- Dual Enrollment Grant
- STEP UP Scholarship

Defining “program of study”

Since 2010, Tennessee has used an outcomes-based funding formula to create funding recommendations for higher education. Historically, the majority of funding for higher education was based on the number of students enrolled at each institution, with a small portion of funding based on performance. Funding enrollments rewarded access to higher education, but not necessarily student outcomes, such as progression to graduation.

Along with the shift toward outcomes-based funding, the General Assembly created several programs to increase the percent of Tennesseans with a college credential. Those include Tennessee Promise and Tennessee Reconnect, which fund tuition and mandatory fees for recent high school graduates and adult students, respectively, enrolled in associate, certificate, or diploma programs.

“An eligible program provided by an institution of higher education must—

- (1) Lead to an associate, bachelor’s, professional, or graduate degree;
- (2) Be at least a two-academic-year program that is acceptable for full credit toward a bachelor’s degree; or
- (3) Be at least a one-academic-year training program that leads to a certificate, or other nondegree recognized credential, and prepares students for gainful employment in a recognized occupation.”

U.S. Code of Federal Regulations
Section 34 Part 668.8(c)

^D Changes made to the definition of “Tennessee resident” for HOPE Scholarships affect multiple programs since many scholarships use HOPE’s eligibility criteria. Such scholarships include the ASPIRE award, the General Assembly merit scholarship, and HOPE for the dependent child of a military parent.

In recognition of this shift toward rewarding outcomes, and not just enrollment, the FAST Act clarifies that in order to receive state financial aid, students can no longer simply be enrolled in an eligible higher education institution, but must also be enrolled in an “eligible program of study.” The FAST Act defines an “eligible program of study” as “a federal Title IV-eligible curriculum of courses leading to a certificate, diploma, or an associate or baccalaureate degree at an eligible postsecondary institution.” (See the box on the bottom of page 5 for the definition of a federal Title IV-eligible curriculum.)

This change not only recognizes a shift toward rewarding outcomes, but also brings state scholarship programs in line with federal financial aid programs, such as the federal Pell grant.

The FAST Act adds or updates definitions of “program of study” for the following programs:^E

- Tennessee Student Assistance Award
- Tennessee Promise
- Wilder-Naifeh Technical Skills Grant
- Wilder Naifeh Reconnect
- HOPE Scholarships^F

Changes to terminating events

Change to Tennessee Promise’s terminating events

Tennessee Promise students have historically been able to continue receiving the scholarship until they completed five semesters at a community college or university, finished eight trimesters at a technical college, or earned a diploma or associate degree. Promise is a scholarship meant for students enrolled in two-year programs, like those generally offered at community colleges and Tennessee Colleges of Applied Technology (TCATs). Most programs at these types of institutions end in associate degrees or diplomas, but some programs do not. For example, TCAT Nashville’s Phlebotomy Technology program, which trains students to draw blood specimens to aid doctors in diagnosis and treatment, ends in a certificate. Prior to passage of the FAST Act, students in this program could continue receiving Promise funds after completing their program of study because earning a certificate was not listed as a terminating event.

The FAST Act adds earning a certificate to the list of terminating events for Tennessee Promise. There are different types of certificates that can be earned by Promise students, however, and the FAST Act does not distinguish among these certificates in terms of which ones are terminating events. For example, TCAT Nashville’s Practical Nursing program has a “nurse aid” certificate that a student can earn on the way to a practical nursing diploma. In this case, the certificate is not the end of the program, as it is for Phlebotomy. (See Exhibit 4.) Although this distinction is not made clear in the FAST Act, TSAC rules point to another part of the code that includes a definition for “certificate or diploma.”² It reads:

*Certificate or Diploma: A credential, other than a degree, the receipt of which indicates **satisfactory completion of training in a program of study** offered by an eligible postsecondary institution. [emphasis added]³*

This definition, along with the changes made by the FAST Act, defines certificates – for the purpose of terminating events for Promise – as those that represent the highest possible credential within a program of study. Using the examples from above, a phlebotomy student who earned a certificate can no longer receive Promise funds, while those who have earned a nurse aid certificate could remain Promise-eligible until they complete eight trimesters or earn a diploma in practical nursing.

^E “Program of study” was already defined in state law for Tennessee Reconnect prior to passage of the FAST Act. Other programs also have eligibility criteria in place outlining the types of programs a student must enroll in. For example, to be eligible for a Helping Heroes Grant, a student must “be admitted to and enroll in an eligible postsecondary institution seeking an associate or baccalaureate degree.”

^F Changes made to the definition of “program of study” for HOPE Scholarships affect multiple programs since many scholarships use HOPE’s eligibility criteria. Such scholarships include the ASPIRE award, the General Assembly merit scholarship, and HOPE for the dependent child of a military parent.

Exhibit 4: Phlebotomy Technology credentials and award compared to those of Practical Nursing | from the TCAT Nashville student handbook

Completing a phlebotomy certificate would be a terminating event for Promise Students.

Phlebotomy

Units of Study

Safety and Infection Controls Customer Service/Interpersonal Skills Medical Terminology Clinical Experiences

Units of Study

Phlebotomy Procedures Mathematics and Calculations Anatomy and Physiology Work Characteristic Collection Procedures

Credentials/Award

Certificate

Phlebotomy 432 hours

Completing a practical nursing diploma would be a terminating event for Promise Students.

Practical nursing

Units of Study

Basic Nursing Fundamentals Administer of Meds & Basic IV Therapy Pharmacology Pediatrics Mental Health

Units of Study

Advanced PVR Nursing Fundamentals Clinical Rotations Medical-Surgical Nursing Pharmacology Worker Characteristic

Credentials/Awards

Certificate

Nurse Aid 432 hours

Diploma

Practical Nursing 1296 hours

Source: TCAT Nashville 2019-2020 Student Handbook

Change to HOPE's terminating events

Before the FAST Act, students receiving a HOPE Scholarship remained eligible for the program until five years had passed since first enrolling in college or once the student earned 120 credits, the amount needed for a bachelor's degree. Many students, however, earn more than 120 credits when pursuing a bachelor's degree, either because they change majors and take extra classes as a result, or because their chosen program requires additional coursework. For example, students enrolled in the University of Tennessee's Army Reserve Officer Training Corps (ROTC), a program that prepares college students to become officers in the U.S. military, must earn 11 additional credits in their freshmen and sophomore years, and 19 additional credits in their junior and senior years. As a result, ROTC students were reaching their 120 credit-hour limit under HOPE before completing a bachelor's degree. The FAST Act removed the credit-hour limit but retained the five-year eligibility limit.

Defining "grade point average"

In August 2020, the State Board of Education (SBE) filed new rules about academic and instructional requirements, which will take effect in November 2020. In the new rules, the SBE outlines a uniform grading system to be used when calculating a student's grade point average (GPA) for the purpose of determining a student's eligibility for scholarships. For example, the HOPE Scholarship requires at least a 21 on the ACT or a 3.0 GPA, but school districts and schools across the state use different calculation methods. Before the FAST Act and the new SBE rule, the law stated a weighted GPA was to be used to determine scholarship

eligibility. The definition for weighted GPA was, “a 4.0 scale calculated with additional points awarded for advanced placement, honors or other similar courses.” High schools have been awarding a varying number of points for more difficult classes, such as Advanced Placement courses, resulting in inconsistent weighted GPA calculations across the state.

Exhibit 5: Excerpt from a pending State Board of Education rule, which will take effect November 2020

LEAs shall use the following uniform grading system for students enrolled in grades nine through twelve (9-12) for purposes of application for postsecondary financial assistance administered by the Tennessee Student Assistance Corporation:						
Uniform Grading System						
Grade		Percentage Range		Honors Courses	Local and Statewide Dual Credit Courses, Industry Certification-Aligned Courses, and Dual Enrollment Courses	Advanced Placement, Cambridge International, College Level Exam Program (CLEP), and International Baccalaureate Courses
A	93	100	Shall include the addition of 3 percentage points to the grades used to calculate the semester average.	Shall include the addition of 4 percentage points to the grades used to calculate the semester average.	Shall include the addition of 5 percentage points to the grades used to calculate the semester average.	
B	85	92				
C	75	84				
D	70	74				
F	0	69				

Source: Pending rules of the State Board of Education, chapter 0520-01-03, effective November 18, 2020.

The new SBE rule defines the exact number of points to be added for each type of course and outlines what percentages represent a grade of “A” (4.0), “B” (3.0), “C”(2.0), “D”(1.0), and “F” (0.0). In recognition of the new rule, and to distinguish previous GPA calculations from the ones that will be required under the new rule, the FAST Act removes references to a “weighted grade point average” and replaces them with “high school grade point average.”

The FAST Act changes “weighted grade point average” to “high school grade point average” for the following programs:

- HOPE Scholarships
- Middle College Scholarship
- General Assembly Merit Scholarship
- Dual Enrollment Grants

Changes to individual financial aid programs

Changes to the Dual Enrollment Grant

Dual enrollment grants provide funding for students enrolled in dual enrollment courses, which are college-level classes taken by high school students. Dual enrollment courses are either offered at a college or university or taught by a member of a college faculty at a high school. Upon completion of a dual enrollment course, students can earn college credits that can be used toward a postsecondary credential.

Students must maintain a 2.75 GPA in their dual enrollment courses to continue receiving the grant after the first semester in dual enrollment courses. Tennessee Colleges of Applied Technology (TCATs), however, split the year into three equal segments, called trimesters, instead of using a semester system. The FAST Act clarifies

that dual enrollment students enrolled at a TCAT must meet the 2.75 GPA requirement and fully complete all courses (i.e., earn the minimum number of clock hours for that trimester's courses) each trimester to remain eligible for a dual enrollment grant.

Clarifying dual enrollment grants provided through the GIVE act

In addition to the traditional dual enrollment grants described previously, eligible high school juniors and seniors may qualify for additional dual enrollment grants through the 2019 Governor's Investment in Vocational Education (GIVE) Act. The GIVE Act authorized the use of lottery funds for additional dual enrollment courses per year if recipients are enrolled in a program of study in high-need job fields. The FAST Act makes two changes regarding the GIVE act dual enrollment grants: (1) clarifies how much the grant covers, and (2) narrows the sources TSAC must consult when determining high-need job fields.

The GIVE Act specified the dual enrollment grants created by the law should cover tuition costs for the dual enrollment course at a college or university in which the recipient is enrolled. The FAST Act clarifies that the dual enrollment grant amount will be equal to tuition costs for a course at the state's community colleges, which totaled \$510 in fall 2020. Students are financially responsible for any tuition costs in excess of \$510.

Under the GIVE Act, TSAC selects the job fields that are considered high-need and identifies the corresponding programs of study at the state's colleges and universities. The FAST Act requires TSAC to consult two reports when determining high-need job fields: (1) the Labor Education Alignment Program (LEAP) report by the Department of Economic and Community Development and (2) the Academic Supply and Occupational Demand report by THEC and the Department of Labor and Workforce Development. TSAC will no longer be required to consult THEC's annual job placement report as that report is largely based on the LEAP report.

Changes to the Minority Teaching Fellows program

The Minority Teaching Fellows program provides an annual loan to minority students enrolled in a teacher preparation program. After graduation, recipients can have one loan forgiven for each year they teach in a Tennessee public school. The FAST Act changes the eligibility criteria so only juniors and seniors pursuing a bachelor's degree or graduate students (i.e., students pursuing a master's or other post-baccalaureate credential) qualify, making freshmen and sophomores ineligible. TSAC supported this change in an attempt to reduce the number of students from whom TSAC must collect loans. Many students have accepted loans through the program early in their college careers but then changed majors in later years, according to TSAC. Changing the program's eligibility criteria is designed to restrict the program to students more committed to the teaching profession who are more likely to complete their teaching obligations under the program and have their loans forgiven.

Changes to the HOPE Scholarship for nontraditional students

The HOPE Scholarship for nontraditional students is available to adult students (i.e., students at least 25 years of age) from low-income households who are enrolled in a bachelor's degree program and have not attended college for at least two years prior to receiving the award. The FAST Act adds an exception to this rule and allows otherwise qualified students who have been enrolled in college within the past two years to receive the nontraditional HOPE Scholarship. Such students must have completed an associate degree through Tennessee Reconnect before enrolling in a bachelor's degree program.

Changes to the Helping Heroes Grant

In 2008, the General Assembly created the Helping Heroes Grant program to provide financial assistance to Tennessee citizens seeking an associate or bachelor's degree who are decorated, post-9/11 veterans. The grant, as part of the state's system of lottery-funded scholarships, is \$500 for part-time students and \$1,000 for full-time students.

Originally, program participants paid tuition and fees at the beginning of a semester and were then reimbursed after successfully completing the semester (i.e., having earned at least six credit hours). Under the FAST Act, veterans receive the grant upon enrollment, similar to other state scholarships such as HOPE or Tennessee Reconnect, as long as they are enrolled in at least six credit hours.

The FAST Act also adds a requirement for veterans to maintain "satisfactory academic progress" to remain eligible for the program after their first semester. "Satisfactory academic progress" is a set of criteria used to determine whether a student can continue to receive financial aid from the U.S. Department of Education (e.g., the Pell grant). The U.S. Department of Education has guidelines for defining "satisfactory academic progress," but allows each institution to fully specify the criteria. Generally, standards for satisfactory academic progress include:

- a GPA minimum (e.g., must maintain a 2.0 GPA);
- a percentage of attempted courses that must be passed each semester (e.g., at least two out of every three courses attempted must be passed);
- and a maximum number of credits the student can attempt (e.g., a student can remain eligible only for the first 180 credits if pursuing a bachelor's degree, which requires 120 credits).

Changes to the Tennessee STEP UP scholarship

The Tennessee STEP UP scholarship provides funding for recent high school graduates with intellectual disabilities who enroll at an eligible postsecondary institution in an eligible program. As of the fall 2020 semester, there are five eligible programs at five institutions: Lipscomb University, Union University, University of Memphis, University of Tennessee, and Vanderbilt University. All five are four-year institutions because the law required – before the FAST Act – that recipients be enrolled in such institutions. The FAST Act potentially allows programs at other types of institutions, such as community colleges, to become eligible in future semesters.

The FAST Act also clarifies that award amounts for the STEP UP Scholarship are aligned with the HOPE Scholarship, which has been the case since the STEP UP Scholarship's creation.

What other changes did the FAST Act make?

Removing obsolete references

The FAST Act removes references in state law to two programs that do not currently exist. The Community College Reconnect Grant was a two-year pilot program for the Tennessee Reconnect program, which is currently available to adult students in Tennessee. As the pilot program ended with the 2017-18 academic year, the FAST Act removes the section of code that references it. The FAST Act also removes references to the General Assembly Civic Education scholarship. In 2008, the General Assembly discussed creating the scholarship but did not ultimately do so.

The FAST Act also removes outdated exceptions for two higher education institutions. The General Assembly passed legislation in 2008 stating that only private colleges and universities that have their main campus in Tennessee – as opposed to satellite campuses only – qualify as eligible institutions for Tennessee state scholarships. The law included an eight-year (i.e., until 2016) exception to this requirement for the Art Institute, which did not meet this definition in 2008. The 2008 law also required all private institutions to be accredited by a regional accrediting association to qualify as eligible institutions for state scholarships. The law included an exception to this requirement for O’More College of Design, which was accredited by a national accrediting agency. In 2018, Belmont University, which is accredited by a regional accrediting association, acquired O’More College of Design, making the exception unnecessary. The FAST Act removes references to these outdated exceptions.

Finally, the FAST Act updates the list of regional accreditation agencies so that the current name of each agency is reflected in state law. The FAST Act does not add any agencies to the list of regional accreditation agencies contained in state law or remove any agencies from the list.

Endnotes

¹ Rules of Austin Peay State University, Chapter 0240-05-05-.04 (3), Classifying Students In-State and Out-of-State, Out-of-State Students who Are Not Required to Pay Out-of-State Tuition, effective September 2020.

² Rules of the Tennessee Student Assistance Corporation, Chapter 1640-01-19-.01 (9), Tennessee Education Lottery Scholarship Program, Definitions, effective April 2020.

³ *Tennessee Code Annotated* 49-4-902.



Office of Research and Education Accountability

Russell Moore | *Director*
425 Fifth Avenue North
Nashville, Tennessee 37243
615.401.7866

www.comptroller.tn.gov/OREA/