

Tennessee Student Assistance Corporation

Tuesday May 19, 2020

Summary of Statutory and Regulatory Modifications

Prior to adjournment, the Tennessee General Assembly passed Senate Bill 1973 / House Bill 2472 (Public Chapter 632), giving the TSAC executive director authority to make temporary modifications to statute or rule in the event the governor declares a state of emergency. This authority applies only to non-academic requirements of the financial aid programs and would expire no later than June 30, 2021. The legislation also requires the executive director to notify the Speakers of the Senate and House and the Chairs of the Senate and House Education Committees within 30 days of the enactment of any modification.

TSAC has worked closely with postsecondary institutions to determine which requirements placed students in greatest need of immediate relief due to the impact of the COVID-19 health crisis. Below is a summary and effective date of the modifications made to address these needs.

Calculation of Postsecondary Cumulative GPA (March 26, 2020)

The postsecondary cumulative GPA used to determine HOPE renewal eligibility must be based on the institutional grading policy and calculated on an A-F grading scale. With most institutions moving to a Pass/Fail grading policy, Rule 1640-01-19-.22 was suspended for the spring and summer terms of 2020 to allow institutions flexibility in providing alternative GPA calculations (e.g. the cumulative GPA attained in the prior semester).

Tennessee Promise Community Service (April 1, 2020)

With opportunities for community service virtually non-existent, the Tennessee Promise summer and fall term community service requirements (April 1 and July 1 deadlines respectively) were waived under Rule 1640-01-26-.07. TSAC will monitor prospects for community service prior to the December 1 deadline for the spring term of 2021.

Loan-Scholarship Payment and Interest Deferral (April 8, 2020)

Participants in TSAC's six loan-scholarship programs (Graduate Nursing, Minority Teaching Fellows, Teaching Scholars, Paul Douglas, Math and Science, Rural Health) receive scholarship funds conditioned on fulfilling a teaching or professional practice service requirement. Failure to fulfill the service requirement requires the student to repay the scholarship funds. Rules for each of these programs were

suspended to allow for a renewable six-month deferment of payments and interest for any participant who, due to the COVID-19 pandemic, is unable to meet the repayment requirements.

In addition to these memos, institutions brought two additional concerns to TSAC's attention, which staff determined could be managed without modification or suspension to existing statute or rule. TSAC released memos to clarify how institutions should interpret existing rules, including:

Leaves of Absence / Changes in Enrollment under TELS, Tennessee Promise, and Tennessee Reconnect:

Due to the extraordinary potential for changes in student enrollment status in the spring semester (and beyond), TSAC issued a memo on April 6, 2020, outlining how existing rules provided latitude for schools to help students maintain program eligibility. This memo highlighted requirements in rule for institutions to adopt procedures for considering changes in enrollment status, including the authority to grant leaves of absence under extraordinary circumstances.

Specified TELS and non-TELS Programs GPA Calculation:

Following the March 26, 2020 HOPE GPA memo, TSAC issued a memo on April 7, 2020, reminding institutions of their authority under rule to modify the calculation of institutional GPAs for the spring and summer terms of the 2019-2020 academic year for Tennessee Promise, Tennessee Reconnect, Dual Enrollment, and Middle College. While institutions must still report a GPA to TSAC, flexibility is authorized to modify the calculation and reporting of the GPA, which could include reporting a GPA from the prior semester of enrollment. Any changes made to the institutional GPA policy would be to determine eligibility for the renewal of awards in spring and summer terms of the 2019-2020 academic year only.