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6 A BILL
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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.
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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”.

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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) "Other allowable costs" means costs associated with attending an institution of higher
20 education, excluding tuition, as determined by the Mayor through rulemaking.

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

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

5 (A) Experienced the death of a relative;

6 (B) A personal injury or illness; or

7 (C) Another special circumstance as determined by the institution to warrant a
8 waiver.

9 Sec. 3. DC Promise establishment; administration.

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

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

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

20 Sec. 4. DC Promise Fund.

21 (a)(1) There is established the DC Promise Fund (“Fund”). The funds deposited in the
22 Fund, and any interest earned on those funds, shall not revert to the unrestricted fund balance of
23 the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

1 (2) Subject to authorization by Congress, any funds appropriated in the Fund shall
2 be continually available without regard to fiscal year limitation.

3 (b) There shall be deposited into the Fund:

4 (1) Annual appropriations, if any; and

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

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

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

10 Sec. 5. Eligibility.

11 (a) Except as provided in subsection (c) of this section, an individual is eligible to
12 participate in DC Promise if the individual:

13 (1)(A) Has graduated from a District secondary school; or

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

15 (2) Has attended a District secondary school for grades 9 through 12;

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

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

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

23 (6) At the time of application is:

- 1 (A) Domiciled in the District;
- 2 (B) 24 years old or younger; and
- 3 (C) From a family with an annual household taxable income of no more
- 4 than 200% of the AMI.

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

11 (c)(1) An individual, including a home school student, who receives a recognized
12 equivalent of a secondary school diploma shall be exempt from the requirement of subsection
13 (a)(2) of this section; provided, that the Mayor may establish through rulemaking an alternative
14 eligibility requirement for these individuals in lieu of the requirement set forth in subsection
15 (a)(2) of this section.

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

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

22 Sec. 6. Conditions of participation.

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

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

5 (1) Maintain at least half-time-status at an institution of higher education;

6 (2) Maintain satisfactory academic progress at the institution of higher education;

7 (3) Continue to be domiciled in the District of Columbia throughout attendance at
8 the institution of higher education; and

9 (4) Meet any other requirements determined by the Mayor to be necessary or
10 appropriate, as set forth in rulemaking.

11 Sec. 7. DC Promise grants.

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

14 (1) Of no more than 50% of the AMI, shall be \$12,000 for any academic year
15 with a lifetime total of not more than \$60,000;

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

18 (3) Greater than 80% but less than or equal to 125% of the AMI, shall be \$6,000
19 for any academic year with a lifetime total of not more than \$30,000; and

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

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

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

7 (d) For any DC Promise participant that is at less than full-time enrollment, the Mayor
8 shall reduce the grant award accordingly. No grant award shall be available for a participant
9 below half-time level.

10 (e)(1) A DC Promise grant awarded on behalf of a DC Promise participant shall be
11 provided directly to the institution of higher education and shall be used only to pay for charges
12 associated with tuition and other allowable costs that have not been satisfied by any federal grant
13 or other federal non-loan assistance, need-based or merit-based grants from the institution of
14 higher education, payments awarded pursuant to the DC Tuition Assistance Grant program,
15 scholarships, tuition or fee waivers, tuition remission that could only be used for tuition and fees,
16 or other non-loan assistance.

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

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

22 (g) The Mayor is authorized, in accordance with regulations issued pursuant to this act, to
23 reduce grant awards if funds available to DC Promise are insufficient to meet the award levels

1 established in this section, and to prohibit an institution of higher education from receiving DC
2 Promise grants based on a pattern of academic failure of DC Promise participants.

3 Sec. 8. Adult education.

4 (a) In addition to the awards available pursuant to section 7, the Mayor shall establish a
5 grant award program within DC Promise to support post-secondary education and training
6 opportunities for individuals that exceed the maximum eligibility age established in section
7 5(a)(6)(B) and shall by January 1, 2015 establish eligibility criteria and award levels through
8 rulemaking.

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

11 Sec. 9. Rulemaking.

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

15 Sec. 10. Applicability.

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

19 Sec. 11. Fiscal impact statement.

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

23 Sec. 12. Effective date.

1 This act shall take effect following approval by the Mayor (or in the event of veto by the
2 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
3 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
4 24, 1973 (87 Stat. 813: D.C. Official Code § 1-206.02(c)(1)) and publication in the District of
5 Columbia Register.