

# State of South Dakota

EIGHTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2012

903T0634

## HOUSE APPROPRIATIONS

### ENGROSSED NO. **SB 77** - 2/27/2012

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

Introduced by: Senator Olson (Russell) and Representative Fargen

1 FOR AN ACT ENTITLED, An Act to provide for the establishment of a scholarship program  
2 for postsecondary technical institute students and to make an appropriation therefor.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. The Dakota Tech scholarship program is hereby established within the  
5 Department of Labor and Regulation. Dakota Tech scholarships shall be awarded to encourage  
6 students at South Dakota's postsecondary technical institutes who are trained for employment  
7 in areas of critical need to remain in South Dakota upon completion of their postsecondary  
8 technical education. The Department of Labor and Regulation shall provide for the awarding  
9 of Dakota Tech scholarships in accordance with the provisions of this Act.

10 Section 2. Terms used in this Act mean:

11 (1) "Area of critical need," an occupation within South Dakota for certain types of  
12 employers in certain geographical areas as specified by rules promulgated by the  
13 department pursuant to section 14 of this Act;

14 (2) "Dakota Tech scholarship award," an amount awarded to an individual student under



1 the Dakota Tech scholarship program;

2 (3) "Department," the Department of Labor and Regulation;

3 (4) "Postsecondary technical institute," a postsecondary institute established pursuant to  
4 chapter 13-39.

5 Section 3. The Department of Labor and Regulation shall administer the Dakota Tech  
6 scholarship program. The department shall, in accordance with the provisions of this Act,  
7 provide for the selection of scholarship recipients, the disbursement of scholarship funds, the  
8 collection and repayment of funds from recipients who have become ineligible, and other  
9 measures necessary for the implementation of this Act.

10 Section 4. To be eligible for a Dakota Tech scholarship a person shall:

11 (1) Have a high school diploma or general equivalency diploma (GED);

12 (2) Agree in writing to stay in South Dakota and work in an area of critical need for a  
13 period of four years following graduation from a postsecondary technical institute;  
14 and

15 (3) Enroll in or be accepted for enrollment by a postsecondary technical institute for a  
16 course of study in an area of critical need leading to a technical degree from the  
17 postsecondary technical institute.

18 Section 5. In order to maintain eligibility for a Dakota Tech scholarship a person shall:

19 (1) Maintain a 2.5 grade point average on a 4.0 scale and maintain standing as a full-time  
20 or part-time student at a postsecondary technical institute;

21 (2) Attend a postsecondary technical institute and earn a technical degree in an area of  
22 critical need within four years after the person's first enrollment at the technical  
23 institute.

24 Section 6. A Dakota Tech scholarship award shall be in the amount of five thousand dollars

1 per student and is awarded once for the duration of the student's course of study. The department  
2 may award Dakota Tech scholarships only to the extent that funds are available to provide  
3 scholarships. If the amount of money in the Dakota Tech scholarship fund is insufficient to  
4 provide a Dakota Tech scholarship to all eligible applicants, the department shall consider a  
5 person's field of study and financial need in awarding a Dakota Tech scholarship.

6 Section 7. If a person has been awarded a Dakota Tech scholarship, the department shall pay  
7 the postsecondary technical institute at which the person is enrolled the amount of five thousand  
8 dollars, to be deducted from the person 's tuition and fees over the duration of the person's  
9 course of study. The amount of the scholarship constitutes an obligation owed by the person to  
10 the department, which may be discharged as provided in sections 8 to 11, inclusive, of this Act.

11 Section 8. A person who has received a Dakota Tech scholarship is not required to repay any  
12 part of the scholarship if within six months of earning an eligible technical degree the person  
13 begins employment and is continuously employed in South Dakota for a period of forty-eight  
14 consecutive months in an area of critical need. A course of study and corresponding  
15 employment or occupation that was deemed an area of critical need at the time of the person's  
16 scholarship award remains an area of critical need for the duration of the person's course of  
17 study and for the forty-eight month employment period for purposes of determining any  
18 repayment obligation that the person may incur.

19 Section 9. If a person who has received a Dakota Tech scholarship does not maintain  
20 eligibility as specified in section 5 of this Act, the person shall reimburse the department the  
21 amount of the scholarship paid on behalf of the person, according to a repayment schedule set  
22 by the department in rules promulgated pursuant to chapter 1-26.

23 Section 10. If a person who has received a Dakota Tech scholarship does not meet the  
24 requirement in section 8 of this Act, the person shall reimburse the department the amount of

1 the scholarship paid on behalf of the person, according to a repayment schedule set by the  
2 department in rules promulgated pursuant to chapter 1-26. The amount of repayment shall be  
3 based on the ratio of forty-eight months minus the number of months a person was continuously  
4 employed in an area of critical need to forty-eight months.

5 Section 11. If a person who has received a Dakota Tech scholarship is unable to maintain  
6 eligibility or remain employed in an area of critical need for forty-eight consecutive months due  
7 to factors outside the control of the person, the department may waive or delay the eligibility  
8 or repayment provisions of this Act.

9 Section 12. A person who has received a Dakota Tech scholarship shall annually report to  
10 the department the person's academic and occupational status on forms prescribed by the  
11 department.

12 Section 13. The Dakota Tech scholarship fund is hereby established as a separate fund in  
13 the state treasury to be administered by the Department of Labor and Regulation. Money in the  
14 fund shall be used to implement the Dakota Tech scholarship program established pursuant to  
15 this Act. Money may enter the fund through legislative appropriations, fees, contributions,  
16 donations, grants, loans, interest received on money in the fund, and any other lawful public or  
17 private source. Money in the fund shall be appropriated by the Legislature through the normal  
18 budget process. Any expenditure from the fund shall be paid on warrants drawn by the state  
19 auditor on vouchers approved by the secretary of the Department of Labor and Regulation.

20 Section 14. The Department of Labor and Regulation shall promulgate rules, pursuant to  
21 chapter 1-26, to implement the Dakota Tech scholarship program. The rules shall define  
22 occupations and geographical areas as areas of critical need, establish procedures for the  
23 awarding and acceptance of scholarships, establish requirements and guidelines to be followed  
24 by the department in implementing the program, establish criteria for monitoring the academic

1 and occupational status of persons who have received a scholarship, establish financial need  
2 criteria, establish repayment schedules, and establish other procedures and requirements  
3 necessary for the implementation of the scholarship program.

4 Section 15. There is hereby appropriated from the general fund the sum of one hundred  
5 dollars (\$100), or so much thereof as may be necessary, to the Department of Labor and  
6 Regulation to be deposited into the Dakota Tech scholarship fund and made available, beginning  
7 on the effective date of this Act, to fund scholarships under the Dakota Tech scholarship  
8 program as provided in this Act. This appropriation may be used only for the funding of  
9 scholarships under the program. Administrative costs and other costs incurred in the  
10 implementation of the program may be met only through the use of funds from sources other  
11 than this appropriation.

12 Section 16. The secretary of the Department of Labor and Regulation shall approve vouchers  
13 and the state auditor shall draw warrants to pay expenditures authorized by this Act.

14 Section 17. Any amounts appropriated in this Act not lawfully expended or obligated by  
15 June 30, 2013, shall revert in accordance with the procedures prescribed in chapter 4-8.