

State of South Dakota

EIGHTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2012

903T0634

SENATE EDUCATION ENGROSSED NO. **SB 77** - 2/10/2012

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 Governor's
5 Office of Economic Development. 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 Governor's Office of Economic Development shall provide for the
9 awarding of Dakota Tech scholarships in accordance with the provisions of this Act.

10 Section 2. Terms used in this Act mean:

11 (1) "Administrator," the organization selected by GOED as provided in this Act to
12 administer the Dakota Tech scholarship program;

13 (2) "Area of critical need," an occupation within South Dakota for certain types of
14 employers in certain geographical areas as specified by rules promulgated by GOED



1 pursuant to section 14 of this Act;

2 (3) "Dakota Tech scholarship award," an amount awarded to an individual student under
3 the Dakota Tech scholarship program;

4 (4) "GOED," the Governor's Office of Economic Development;

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

7 Section 3. The Governor's Office of Economic Development shall select a nonprofit
8 corporation to act as the administrator of the Dakota Tech scholarship program. GOED shall
9 issue a request for proposals to identify and select the appropriate entity to serve as the
10 administrator. The administrator shall, in accordance with the provisions of this Act, provide
11 for the selection of scholarship recipients, the disbursement of scholarship funds, the collection
12 and repayment of funds from recipients who have become ineligible, and other measures
13 necessary for the implementation of this Act.

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

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

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

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

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

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

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

4 Section 6. A Dakota Tech scholarship award shall be in the amount of five thousand dollars
5 per student and is awarded once for the duration of the student's course of study. The
6 administrator may award Dakota Tech scholarships only to the extent that funds are available
7 to provide scholarships. If the amount of money in the Dakota Tech scholarship fund is
8 insufficient to provide a Dakota Tech scholarship to all eligible applicants, the administrator
9 shall consider a person's field of study and financial need in awarding a Dakota Tech
10 scholarship.

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

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

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

5 Section 10. If a person who has received a Dakota Tech scholarship does not meet the
6 requirement in section 8 of this Act, the person shall reimburse the administrator the amount of
7 the scholarship paid on behalf of the person, according to a repayment schedule set by GOED
8 in rules promulgated pursuant to chapter 1-26. The amount of repayment shall be based on the
9 ratio of forty-eight months minus the number of months a person was continuously employed
10 in an area of critical need to forty-eight months.

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

15 Section 12. A person who has received a Dakota Tech scholarship shall annually report to
16 the administrator the person's academic and occupational status on forms prescribed by the
17 administrator.

18 Section 13. The Dakota Tech scholarship fund is hereby established as a separate fund in
19 the state treasury to be administered by the Governor's Office of Economic Development.
20 Money in the fund shall be used to implement the Dakota Tech scholarship program established
21 pursuant to this Act. Money may enter the fund through legislative appropriations, fees,
22 contributions, donations, grants, loans, interest received on money in the fund, and any other
23 lawful public or private source. Money in the fund shall be appropriated by the Legislature
24 through the normal budget process. Any expenditure from the fund shall be paid on warrants

1 drawn by the state auditor on vouchers approved by the commissioner of the Governor's Office
2 of Economic Development.

3 Section 14. The Governor's Office of Economic Development shall promulgate rules,
4 pursuant to chapter 1-26, to implement the Dakota Tech scholarship program. The rules shall
5 define occupations and geographical areas as areas of critical need, establish procedures for the
6 awarding and acceptance of scholarships, establish requirements and guidelines to be followed
7 by the administrator in implementing the program, establish criteria for monitoring the academic
8 and occupational status of persons who have received a scholarship, establish financial need
9 criteria, establish repayment schedules, and establish other procedures and requirements
10 necessary for the implementation of the scholarship program.

11 Section 15. There is hereby appropriated from the general fund the sum of one dollar (\$1),
12 or so much thereof as may be necessary, to the Governor's Office of Economic Development
13 to be deposited into the Dakota Tech scholarship fund and made available, beginning on the
14 effective date of this Act, to fund scholarships under the Dakota Tech scholarship program as
15 provided in this Act. This appropriation may be used only for the funding of scholarships under
16 the program. Administrative costs and other costs incurred by the administrator or by GOED
17 in the implementation of the program may be met only through the use of funds from sources
18 other than this appropriation.

19 Section 16. The commissioner of the Governor's Office of Economic Development shall
20 approve vouchers and the state auditor shall draw warrants to pay expenditures authorized by
21 this Act.

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