

**TITLE 610. STATE REGENTS FOR HIGHER EDUCATION
CHAPTER 25. STUDENT FINANCIAL AID AND SCHOLARSHIPS
SUBCHAPTER 23. OKLAHOMA HIGHER LEARNING ACCESS PROGRAM**

**AGENCY RULE REPORT
December 6, 2018**

1. The date the notice of the intended rulemaking action was published in "The Oklahoma Register";

October 1, 2018

2. The name and address of the agency;

Oklahoma State Regents for Higher Education
655 Research Parkway, Suite 200
Oklahoma City, OK, 73104

3. The title and number of the rule;

TITLE 610. STATE REGENTS FOR HIGHER EDUCATION
CHAPTER 25. STUDENT FINANCIAL AID AND SCHOLARSHIPS
SUBCHAPTER 23. Oklahoma Higher Learning Access Program
610-25-23-4. Program requirements [AMENDED]
610-25-23-7. Payment of awards, policies and limitations [AMENDED]
610-25-23-8. Administrative responsibilities [AMENDED]

4. A citation to the statutory authority for the rule;

70 O.S. §2601 *et seq.*; 70 O.S. §3206 (i); Oklahoma State Regents for Higher Education

5. A brief summary of the content of the adopted rule;

The proposed permanent rule revisions are necessary for three reasons:

- (a) To incorporate changes from HB 3592 passed during the 2018 legislative session related to the return of award funds when an Oklahoma's Promise student withdraws from a course in college.
- (b) To incorporate changes approved as emergency rules earlier in 2018 that clarify the student requirements to "attend school regularly", "refrain from substance abuse", and "refrain from commission of crimes or delinquent acts".
- (c) To include language related to the prohibition of awards for noncredit remedial courses as required by SB 529 passed during the 2017 session.

Return of Award Funds for Certain Course Withdrawals: HB 3592 requires that award funds be returned to the program when a student withdraws from a college course prior to the end of the add/drop period for the semester in which the student is enrolled. This requirement is consistent with current program procedures.

Clarification Related to Student Conduct Requirements: The current language in the permanent rules states that "compliance with the program requirements for attending school regularly, refraining from substance abuse, and refraining from criminal or delinquent acts shall be

determined according to the local school district's policy.” The proposed revisions, which were drafted in consultation with the Attorney General’s office and approved as emergency rules earlier in 2018, specify the following:

- (a) “Attend school regularly” will mean that the student was in attendance at least eighty percent (80%) of each school year, excluding absences excused by the school.
- (b) “Refrain from substance abuse” will mean that the student was not adjudicated delinquent as a juvenile nor convicted of a crime as an adult by a court of law for an offense involving a controlled dangerous substance, as defined in the Oklahoma Statutes.
- (c) “Refrain from commission of crimes or delinquent acts” will mean the student was not adjudicated delinquent as a juvenile nor convicted of a crime as an adult by a court of law.

The revisions also direct local school districts to report to the State Regents the compliance or noncompliance of students with the three conduct requirements.

Few Oklahoma’s Promise students are disqualified for failure to comply with the conduct requirements. Of the 8,200 students in the 2018 high school graduating class, about thirty (0.4%) were disqualified on the basis of noncompliance with one or more of the three conduct requirements.

Eliminating Award Payment for Remedial Courses: SB 529 of the 2017 legislative session included the requirement that, beginning with the 2018-2019 academic year, the program no longer pays for noncredit remedial courses.

6. A statement explaining the need for the adopted rule;

The adopted rules are necessary to incorporate emergency rules adopted earlier in 2018 and to implement statutory changes made by SB 529 of the 2017 legislative session and HB 3592 of the 2018 legislative session.

7. The date and location of the meeting, if held, at which such rules were adopted;

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8. A summary of the comments and explanation of changes or lack of any change made in the adopted rules as a result of testimony received at all hearings or meetings held or sponsored by an agency for the purpose of providing the public an opportunity to comment on the rules or of any written comments received prior to the adoption of the rule. The summary shall include all comments received about the cost impact of the proposed rules;

No comments were received.

9. A list of persons or organizations who appeared or registered for or against the adopted rule at any public hearing held by the agency or those who have commented in writing before or after the hearing;

None. There was no public hearing.

10. A rule impact statement;

See attached

11. An incorporation by reference statement if the rule incorporates a set of rules from a body outside the state, such as a national code;

N/A

12. The members of the governing board of the agency adopting the rules and the recorded vote of each member;

Helm – yes
Hickman – yes
Holloway – yes
Lester – yes
Massey – absent
Parker – yes
Turpen – yes
Strickland – yes
White – yes

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RULE IMPACT STATEMENT

A. Brief description of the purpose of the proposed rule.

The proposed rule amendments address three issues.

Return of Award Funds for Certain Course Withdrawals: New statutory language in HB 3592 of the 2018 legislative session requires that scholarship award funds be returned to the program when a student withdraws from a college course prior to the end of the add/drop period for the semester in which the student is enrolled.

Clarification Related to Student Conduct Requirements: These changes incorporate emergency rules approved earlier in 2018 that clarify the student requirements to “attend school regularly”, “refrain from substance abuse”, and “refrain from commission of crimes or delinquent acts”. “Attend school regularly” means that the student was in attendance at least 80 percent of each school year, excluding absences excused by the school. “Refrain from substance abuse” means that the student was not adjudicated delinquent as a juvenile nor convicted of a crime as an adult by a court of law for an offense involving a controlled dangerous substance, as defined in the

Oklahoma Statutes. “Refrain from the commission of crimes or delinquent acts” means that the student was not adjudicated delinquent as a juvenile nor convicted of a crime as an adult by a court of law.

Eliminating Award Payment for Remedial Courses: SB 529 of the 2017 legislative session included a statutory amendment requiring that, beginning with the 2018-2019 academic year, the program will no longer pay awards for noncredit remedial courses.

B. Description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the costs of the proposed rule, and any information on cost impacts received by the agency from any private or public entities.

The proposed rule changes will affect high school students participating in the program who are subject to the student conduct requirements and college students who withdraw from certain courses or enroll in noncredit remedial courses.

Students enrolled in noncredit remedial courses will face increased costs for those courses because the program will no longer pay awards for the courses. In general, the costs of the program are paid from the General Revenue Fund of the State of Oklahoma. No information on cost impacts has been received by any other private or public entities.

C. Description of the classes of persons who will benefit from the proposed rule.

The proposed rule changes will benefit high school students participating in the program and high school officials who provide guidance to students by providing greater clarification of the program’s conduct requirements.

D. Description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change.

Students enrolled in noncredit remedial courses will face increased costs for those courses because the program will no longer pay awards for the courses. The program does not assess any fees.

E. Probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency.

The proposed rule changes are expected to have small administrative cost impacts to the agency. The scholarship program itself may experience a slight cost savings due to the elimination of payment of awards for noncredit remedial courses.

F. Determination of whether implementation of the proposed rule will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule.

The proposed rule changes should not have an economic impact on any political subdivisions or require their cooperation to implement the rule.

G. Determination of whether implementation of the proposed rule will have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

After consideration with reference to Section 303(A)(4) and 303(B)(6) of Title 75, it is believed that the proposed rules will have no adverse impact upon Small Business.

H. Explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or non-regulatory methods or less intrusive methods for achieving the purpose of the proposed rule.

The proposed changes are not expected to increase compliance costs.

I. Determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.

The proposed rule should have no effect on the public health, safety, and environment.

J. Determination of any detrimental effect on the public health, safety and environment if the proposed rule is not implemented.

No effect on the public health, safety, or the environment will result if these rule amendments are not implemented.

K. Date the rule impact statement was prepared and if modified, the date modified.

September 10, 2018.