

Val L. Peterson proposes the following substitute bill:

Higher Education Revisions

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Val L. Peterson

Senate Sponsor: Michael K. McKell

LONG TITLE

General Description:

This bill amends the application of Title 53B, State System of Higher Education.

Highlighted Provisions:

This bill:

- defines terms;
- exempts private institutions of higher education from the provisions in Title 53B, Utah System of Higher Education, unless expressly stated otherwise;
- allows the University of Utah to teach certain medical students from out-of-state; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

- 53B-1-113 (Effective 05/07/25)**, as last amended by Laws of Utah 2019, Chapter 324
- 53B-8-105 (Effective 05/07/25)**, as last amended by Laws of Utah 2022, Chapter 370
- 53B-8-112.5 (Effective 05/07/25)**, as enacted by Laws of Utah 2023, Chapter 453
- 53B-8-116 (Effective 05/07/25)**, as last amended by Laws of Utah 2020, Chapter 196
- 53B-8-117 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 39
- 53B-8-201 (Effective 05/07/25)**, as last amended by Laws of Utah 2024, Chapter 378
- 53B-8a-102.5 (Effective 05/07/25)**, as last amended by Laws of Utah 2023, Chapter 374
- 53B-8a-103 (Effective 05/07/25)**, as last amended by Laws of Utah 2021, Chapter 84
- 53B-8a-106 (Effective 05/07/25)**, as last amended by Laws of Utah 2015, Chapter 94
- 53B-8a-107 (Effective 05/07/25)**, as last amended by Laws of Utah 2023, Chapter 242

53B-8a-201 (Effective 05/07/25), as last amended by Laws of Utah 2018, Chapters 292, 306 and last amended by Coordination Clause, Laws of Utah 2018, Chapter 315

53B-8a-204 (Effective 05/07/25), as last amended by Laws of Utah 2020, Chapter 365

53B-10-101 (Effective 05/07/25), as last amended by Laws of Utah 2022, Chapter 370

53B-13-111 (Effective 05/07/25), as enacted by Laws of Utah 1987, Chapter 167

53B-13a-102 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 254

53B-13b-102 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 254

53B-13c-101 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 254

53B-16-105 (Effective 05/07/25), as last amended by Laws of Utah 2023, Chapter 254

53B-16-401 (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 68

53B-17-901 (Effective 05/07/25), as last amended by Laws of Utah 2020, Chapter 365

53B-20-107 (Effective 05/07/25), as enacted by Laws of Utah 2024, Chapter 96

53B-28-102 (Effective 05/07/25), as enacted by Laws of Utah 2017, Chapter 188

ENACTS:

53B-1-103 (Effective 05/07/25), Utah Code Annotated 1953

53B-17-904 (Effective upon governor's approval), Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53B-1-103** is enacted to read:

53B-1-103 (Effective 05/07/25). Application to private institutions.

(1)(a) As used in this title, "private postsecondary educational institution" means an institution that:

(i) does not receive direct funding through state appropriations; and

(ii) provides higher education programs.

(b) "Private postsecondary educational institution" includes:

(i) a private nonprofit college or university; and

(ii) a private for-profit college or university.

(2) Except as expressly provided, the provisions of this title do not apply to a private postsecondary educational institution.

Section 2. Section **53B-1-113** is amended to read:

53B-1-113 (Effective 05/07/25). Education loan notifications.

(1) As used in this section:

(a) "Borrower" means:

(i) an individual enrolled in an eligible postsecondary institution who receives an

- 63 education loan; or
- 64 (ii) an individual, including a parent or legal guardian, who receives an education
65 loan to fund education expenses of an individual enrolled in an eligible
66 postsecondary institution.
- 67 (b) "Education loan" means a loan made to a borrower that is:
- 68 (i) made directly by a federal or state program; or
- 69 (ii) insured or guaranteed under a federal or state program.
- 70 (c) "Eligible postsecondary institution" means a public or ~~[private postsecondary~~
71 ~~institution]~~ private postsecondary educational institution that:
- 72 (i) is located in Utah; and
- 73 (ii) participates in federal student assistance programs under the Higher Education
74 Act of 1965, Title IV, 20 U.S.C. Sec. 1070 et seq.
- 75 (2) Annually, on or before July 1, an eligible postsecondary institution that receives
76 information about a borrower's education loan shall:
- 77 (a) notify the borrower that the borrower has an education loan;
- 78 (b) direct the borrower to the National Student Loan Data System described in 20 U.S.C.
79 Sec. 1092b to receive information about the borrower's education loan; and
- 80 (c) provide the borrower information on how the borrower can access an online
81 repayment calculator.
- 82 (3) An eligible postsecondary institution does not incur liability for information provided to
83 a borrower in accordance with this section.
- 84 Section 3. Section **53B-8-105** is amended to read:
- 85 **53B-8-105 (Effective 05/07/25). New Century scholarships -- High school**
86 **requirements.**
- 87 (1) Notwithstanding the provisions of this section, the board may not accept a new
88 application for a scholarship described in this section on or after August 15, 2021.
- 89 (2) As used in this section:
- 90 (a) "Complete the requirements for an associate degree" means that a student:
- 91 (i)(A) completes all the required courses for an associate degree from a higher
92 education institution within the state system of higher education that offers
93 associate degrees; and
- 94 (B) applies for the associate degree from the institution; or
- 95 (ii) completes equivalent requirements described in Subsection (2)(a)(i)(A) from a
96 higher education institution within the state system of higher education that offers

- baccalaureate degrees but does not offer associate degrees.
- (b) "Fee" means a fee approved by the board.
- (3)(a) The board shall award New Century scholarships.
- (b) The board shall develop and approve the math and science curriculum described under Subsection (4)(a)(ii).
- (4)(a) In order to qualify for a New Century scholarship, a student in Utah schools shall complete the requirements for an:
- (i) associate degree; or
 - (ii) approved math and science curriculum.
- (b) The requirements under Subsection (4)(a) shall be completed:
- (i) by the day on which the student's class graduates from high school; and
 - (ii) with at least a 3.0 grade point average.
- (c) In addition to the requirements in Subsection (4)(a), a student in Utah shall:
- (i) complete the high school graduation requirements of:
 - (A) a public high school established by the State Board of Education and the student's school district or charter school; or
 - (B) a private high school in the state that is accredited by a regional accrediting body approved by the board; and
 - (ii) complete high school with at least a 3.5 cumulative high school grade point average.
- (5) Notwithstanding Subsection (4), for a student who does not receive a high school grade point average, the student shall:
- (a) complete the requirements for an associate degree:
 - (i) by June 15 of the year the student completes high school; and
 - (ii) with at least a 3.0 grade point average; and
 - (b) score a composite ACT score of 26 or higher.
- (6)(a) To be eligible for the scholarship, a student:
- (i) shall submit an application to the board with:
 - (A) an official college transcript showing college courses the student has completed to complete the requirements for an associate degree; and
 - (B) if applicable, an official high school transcript or, if applicable, a copy of the student's ACT scores;
 - (ii) shall be a citizen of the United States or a noncitizen who is eligible to receive federal student aid;

(iii) if applicable, shall meet the application deadlines as established by the board under Subsection (11); and

(iv) shall demonstrate, in accordance with rules described in Subsection (6)(b), the completion of a Free Application for Federal Student Aid.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules regarding the completion of the Free Application for Federal Student Aid described in Subsection (6)(a)(iv), including:

(i) provisions for students or parents to opt out of the requirement due to:

(A) financial ineligibility for any potential grant or other financial aid;

(B) personal privacy concerns; or

(C) other reasons the board specifies; and

(ii) direction for applicants to financial aid advisors.

(7)(a) The scholarship may be used at a:

(i) higher education institution within the state system of higher education that offers baccalaureate programs; or

(ii) if the scholarship holder applies for the scholarship on or before October 1, 2019, [~~private, nonprofit college or university in the state accredited by the Northwest Association of Schools and Colleges~~] private postsecondary educational institution that offers baccalaureate programs.

(b)(i) Subject to Subsection (7)(e), the total value of the scholarship is up to \$5,000, allocated over a time period described in Subsection (7)(c), as prescribed by the board.

(ii) The board may increase the scholarship amount described in Subsection (7)(b)(i) by an amount not to exceed the average percentage tuition increase approved by the board for institutions in the state system of higher education.

(c) The scholarship is valid for the shortest of the following time periods:

(i) two years of full-time equivalent enrollment;

(ii) 60 credit hours; or

(iii) until the student meets the requirements for a baccalaureate degree.

(d)(i) A scholarship holder shall enroll full-time at a higher education institution by no later than the fall term immediately following the student's high school graduation date or receive an approved deferral from the board.

(ii) The board may grant a deferral or leave of absence to a scholarship holder, but the scholarship holder may only receive scholarship money within five years of

- 165 the student's high school graduation date.
- 166 (e) For a scholarship for which a student applies after October 1, 2019:
- 167 (i) the board shall reduce the amount of the scholarship holder's scholarship so that
- 168 the total amount of state aid awarded to the scholarship holder, including tuition or
- 169 fee waivers or the scholarship, does not exceed the cost of the scholarship holder's
- 170 tuition and fees; and
- 171 (ii) the scholarship holder may only use the scholarship for tuition and fees.
- 172 (8) The board may cancel a New Century scholarship at any time if the student fails to:
- 173 (a) register for at least 15 credit hours per semester;
- 174 (b) maintain a 3.3 grade point average for two consecutive semesters; or
- 175 (c) make reasonable progress toward the completion of a baccalaureate degree.
- 176 (9)(a) Subject to future budget constraints, the Legislature shall make an annual
- 177 appropriation from the General Fund to the board for the costs associated with the
- 178 New Century Scholarship Program authorized under this section.
- 179 (b) It is understood that the appropriation is offset in part by the state money that would
- 180 otherwise be required and appropriated for these students if they were enrolled in a
- 181 four-year postsecondary program at a state-operated institution.
- 182 (c) Notwithstanding Subsections (3)(a) and (7), if the appropriation under Subsection
- 183 (9)(a) is insufficient to cover the costs associated with the New Century Scholarship
- 184 Program, the board may reduce the scholarship amount.
- 185 (d) If money appropriated under this section is available after New Century scholarships
- 186 are awarded, the board shall use the money for the Utah Promise Program created in
- 187 Section 53B-13a-103.
- 188 (10)(a) The board shall adopt policies establishing an application process and an appeal
- 189 process for a New Century scholarship.
- 190 (b) The board shall disclose on all applications and related materials that the amount of
- 191 the scholarship is subject to funding and may be reduced, in accordance with
- 192 Subsection (9)(c).
- 193 (c) The board shall require an applicant for a New Century scholarship to certify under
- 194 penalty of perjury that:
- 195 (i) the applicant is a United States citizen; or
- 196 (ii) the applicant is a noncitizen who is eligible to receive federal student aid.
- 197 (d) The certification under this Subsection (10) shall include a statement advising the
- 198 signer that providing false information subjects the signer to penalties for perjury.

(11) The board may set deadlines for receiving New Century scholarship applications and supporting documentation.

(12) A student may not receive both a New Century scholarship and an Opportunity scholarship established in Section 53B-8-201.

Section 4. Section **53B-8-112.5** is amended to read:

53B-8-112.5 (Effective 05/07/25). Karen Mayne Public Safety Officer Scholarship Program.

(1) As used in this section:

(a) "Peace officer" means the same as that term is defined in Section 53B-8c-102.

(b) "POST" means the Peace Officer Standards and Training Division created in Section 53-6-103.

(c) "Program" means the Karen Mayne Public Safety Officer Scholarship Program that this section creates.

(2) This section creates the Karen Mayne Public Safety Officer Scholarship Program.

(3)(a) Subject to legislative appropriations, the board shall award a scholarship to a qualified applicant who:

(i) is a high school graduate;

(ii) submits an application to the board with a copy of the student's high school diploma;

(iii) when eligible, enrolls in a basic training course at a state certified academy as defined in Section 53-6-202;

(iv) subject to Subsection (3)(b), is enrolled in a qualifying post-secondary program from:

(A) an institution of higher education within the state system of higher education, described in Section 53B-1-102; or

(B) ~~[a private, nonprofit institution of higher education in the state that is accredited by the Northwest Commission on Colleges and Universities]~~ a private postsecondary educational institution; and

(v) commits to working as a peace officer for no less than five years after the day on which POST certifies the scholarship recipient.

(b) For purposes of Subsection (3)(a)(iv), the board shall determine the programs that qualify for a scholarship award, including criminal justice, police administration, criminology, social sciences, and other disciplines.

(4)(a) The board shall determine the amount of a scholarship award, ensuring that the

amount does not exceed the combined cost of tuition, fees, and required textbooks.

(b) A scholarship award described in Subsection (4)(a) is limited to:

(i) POST training and certification in accordance with Title 53, Chapter 6, Peace

Officer Standards and Training Act; and

(ii) a maximum of four academic years in a post-secondary program.

(5) The board shall design the scholarship program to ensure that participating institutions combine state or federal loans or grants, internships, student employment, and family and individual contributions toward financing the cost of attendance.

(6) A scholarship recipient shall:

(a) notify the board of the scholarship recipient's POST certification within 15 days after the day on which POST certifies the scholarship recipient;

(b) submit verification of the scholarship recipient's employment to the board within 15 days after the day on which the scholarship recipient is employed as a peace officer, including:

(i) the employer's name, address, and telephone number;

(ii) the date of the scholarship recipient's hiring; and

(iii) the scholarship recipient's job title; and

(c) notify the board within 15 days after the day on which the employer terminates the scholarship recipient.

(7)(a) The board may require a scholarship recipient to repay the full amount of the scholarship award that the scholarship recipient received under the program, including money paid for tuition, fees, and required textbooks, if the scholarship recipient fails to:

(i) meet the requirements for POST certification as described in Title 53, Chapter 6, Part 2, Peace Officer Training and Certification Act;

(ii) work as a peace officer for five years after the day on which POST certifies the scholarship recipient; or

(iii) subject to Subsection (3), earn a degree in a post-secondary program.

(b) Notwithstanding Subsection (7)(a), a scholarship recipient is not required to repay any amount of the scholarship award if the scholarship recipient:

(i) is unable to secure employment as a peace officer within 12 months after the day on which the scholarship recipient is POST certified; and

(ii) provides documentation from a prospective employer that the scholarship recipient was not extended an offer of employment.

(8) The board may use up to 2% of the money appropriated for the scholarship program for administrative costs.

(9)(a) The board shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to:

- (i) set deadlines for receiving scholarship applications and supporting documentation;
- (ii) establish an application process and appeal process for the program;
- (iii) establish policies and procedures for cancellation or repayment of scholarship awards if the scholarship recipient fails to meet the requirements under this section;
- (iv) collaborate with POST and other law enforcement and correction agencies to provide high school students information on law enforcement careers; and
- (v) notify POST when a student receives a scholarship under the program.

(b) The board shall include a disclosure on all applications and materials related to the program that the amount of the awarded scholarship may be subject to funding availability or reduction in accordance with Subsection (10).

(10) If an appropriation under this section is insufficient to cover the costs associated with the program, the board may:

- (a) reduce the amount of a scholarship award; and
- (b) distribute scholarship awards on a pro rata basis to all eligible applicants who submitted a complete application before the application deadline.

Section 5. Section **53B-8-116** is amended to read:

53B-8-116 (Effective 05/07/25). Terrel H. Bell Education Scholarship Program -- Scholarship requirements -- Rulemaking.

(1) As used in this section:

- (a) "Approved program" means a program that:
 - (i) is a teacher preparation program that:
 - (A) meets the standards described in Section 53E-6-302; and
 - (B) provides enhanced clinical experiences; or
 - (ii) prepares an individual to become:
 - (A) a speech-language pathologist; or
 - (B) another licensed professional providing services in a public school to students with disabilities.
- (b) "Eligible institution" means a Utah institution that offers an approved program and is:
 - (i) a public postsecondary educational institution; or

(ii) [~~private institution of higher education in Utah that offers an approved program.~~]
a private postsecondary educational institution.

(c) "High needs area" means a subject area or field in public education that has a high need for teachers or other employees, as determined in accordance with Subsections (6) and (7).

(d) "Scholarship" means a scholarship described in this section.

(2) Subject to future budget constraints, the Legislature shall annually appropriate money to the board for the Terrel H. Bell Education Scholarship Program to be distributed to eligible institutions to award scholarships to incentivize students to work in public education in Utah.

(3)(a) Subject to the prioritization described in Subsection (3)(b), an eligible institution may award a scholarship to an individual who:

(i) meets the academic standards described in Subsection (6);

(ii) is enrolled in at least six credit hours at the eligible institution;

(iii) declares an intent to:

(A) apply to and complete an approved program at the eligible institution; and

(B) work in a Utah public school; and

(iv) demonstrates, in accordance with rules described in Subsection (6)(b), the completion of a Free Application for Federal Student Aid.

(b) An eligible institution shall prioritize awarding of scholarships:

(i) first, to first generation students who intend to work in any area in a Utah public school;

(ii) second, to students who:

(A) are not first generation students; and

(B) intend to work in a high needs area in a Utah public school; and

(iii) last, to other students who meet the requirements described in Subsection (3)(a).

(4)(a) Except as provided in Subsection (4)(b), an eligible institution may award a scholarship to an individual for an amount up to the cost of resident tuition, fees, and books for the number of credit hours in which the individual is enrolled each semester.

(b) An eligible institution that is a [~~private institution~~] private postsecondary educational institution may not award a scholarship for an amount of money that exceeds the average scholarship amount granted by a public institution of higher education.

(5)(a) Except as provided in Subsection (5)(b), an eligible institution may award a

scholarship to an individual for up to four consecutive years.

(b) An eligible institution may grant a scholarship recipient a leave of absence.

(c) An eligible institution may cancel a scholarship if:

(i) the scholarship recipient fails to make reasonable progress toward completion of the approved program, as determined by the eligible institution; or

(ii) the eligible institution determines with reasonable certainty that the scholarship recipient does not intend to work in a Utah public school.

(6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules:

(a) that establish:

(i) requirements related to an eligible institution's administration of a scholarship;

(ii) a process for an individual to apply to an eligible institution to receive a scholarship;

(iii) in accordance with Subsection (3)(a), requirements related to eligibility for a scholarship, including required academic standards;

(iv) in accordance with Subsection (3)(b), requirements related to prioritization of scholarships, including determination of:

(A) whether a student is a first generation student; and

(B) high needs areas; and

(v) criteria to determine whether an individual intends to work in a Utah public school; and

(b) regarding the completion of the Free Application for Federal Student Aid described in Subsection (3)(a)(iv), including:

(i) provisions for students or parents to opt out of the requirement due to:

(A) financial ineligibility for any potential grant or other financial aid;

(B) personal privacy concerns; or

(C) other reasons the board specifies; and

(ii) direction for applicants to financial aid advisors.

(7) The board shall consult with the State Board of Education to determine:

(a) whether a teacher preparation program provides enhanced clinical experiences; and

(b) which subject areas and fields are high needs areas.

(8) The board may use up to 5% of money appropriated for the purposes described in this section to promote the scholarships described in this section.

Section 6. Section **53B-8-117** is amended to read:

53B-8-117 (Effective 05/07/25). First Responder Mental Health Services Grant**Program.**

(1) As used in this section:

(a) "First responder" means an individual who works in Utah as:

(i) a law enforcement officer, as defined in Section 53-13-103;

(ii) an emergency medical technician, as defined in Section 53-2e-101;

(iii) an advanced emergency medical technician, as defined in Section 53-2e-101;

(iv) a paramedic, as defined in Section 53-2e-101;

(v) a firefighter, as defined in Section 34A-3-113;

(vi) a dispatcher, as defined in Section 53-6-102;

(vii) a correctional officer, as defined in Section 53-13-104;

(viii) a special function officer, as defined in Section 53-13-105, employed by a local sheriff;

(ix) a search and rescue worker under the supervision of a local sheriff;

(x) a forensic interviewer or victim advocate employed by a children's justice center established in accordance with Section 67-5b-102;

(xi) a credentialed criminal justice system victim advocate as defined in Section 77-38-403 who responds to incidents with a law enforcement officer;

(xii) a crime scene investigator technician;

(xiii) a wildland firefighter;

(xiv) an investigator or prosecutor of cases involving sexual crimes against children; or

(xv) a civilian employee of a first responder agency who has been authorized to view or otherwise access information concerning crimes, accidents, or other traumatic events.

(b) "First responder agency" means the same as that term is defined in Section 53-21-101.

(c) "First responder volunteer" means:

(i) an individual who donates services as a first responder to a first responder agency located in Utah without pay or other compensation except:

(A) expenses that the individual actually and reasonably incurs as the supervising first responder agency approves; and

(B) health insurance that a participant in the Volunteer Emergency Medical Service Personnel Health Insurance Program described in Section 26-8a-603 receives; or

(ii) a volunteer firefighter who is not regularly employed as a firefighter service employee, but who:

(A) has received training in firefighter techniques and skills;

(B) continues to receive regular firefighter training; and

(C) is on the rolls of a legally organized volunteer fire department that provides ongoing training and serves a political subdivision of the state.

(d) "Retiree" means the same as that term is defined in Section 49-11-102.

(2) This section creates the First Responder Mental Health Services Grant Program.

(3) Subject to legislative appropriations and Subsection (8), the board shall award a grant to an applicant who:

(a) is a first responder, a first responder volunteer, or a retiree who worked as a first responder in the state; and

(b) is seeking a post-secondary degree or certification to become a mental health therapist, as that term is defined in Section 58-60-102, from:

(i) an institution of higher education within the state system of higher education, described in Section 53B-1-102; or

(ii) a ~~[private, nonprofit institution of higher education in the state that is accredited by the Northwest Commission on Colleges and Universities]~~ private postsecondary educational institution.

(4)(a) Subject to Subsection (4)(b), the board may award a qualified applicant a grant in an amount that is equal to the difference between:

(i) the total cost of tuition and fees for the program in which the recipient is enrolled; and

(ii) the total value of all other grants, tuition waivers, fee waivers, and scholarships that the recipient receives to attend the institution.

(b) A grant award under Subsection (4)(a) is limited to:

(i) a maximum of \$6,000 each academic year; and

(ii) a maximum of four academic years.

(5) The board shall design the program to ensure that institutions combine loans, grants, employment, and family and individual contributions toward financing the cost of attendance.

(6) The board shall:

(a) select two periods during each calendar year to accept applications for the program; and

(b) accept applications for no fewer than 30 days during each period described in Subsection (6)(a).

(7)(a) The board shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to:

- (i) set deadlines for receiving grant applications and supporting documentation; and
- (ii) establish the application process and an appeal process for the First Responder Mental Health Services Grant Program.

(b) The board shall include a disclosure on all applications and related materials that the amount of the awarded grants may be subject to funding or be reduced, in accordance with Subsection (8).

(8)(a) Subject to future budget constraints, the Legislature shall make an annual appropriation from the Income Tax Fund to the board for the costs associated with the First Responder Mental Health Services Grant Program authorized under this section.

(b) Notwithstanding the provisions of this section, if the appropriation under this section is insufficient to cover the costs associated with the First Responder Mental Health Services Grant Program, the board may:

- (i) reduce the amount of a grant; or
- (ii) distribute grants on a pro rata basis to all eligible applicants who submitted a complete application before the application deadline.

Section 7. Section **53B-8-201** is amended to read:

53B-8-201 (Effective 05/07/25). Opportunity Scholarship Program.

(1) As used in this section:

(a) "Eligible institution" means:

- (i) a degree-granting institution of higher education within the state system of higher education; or
- (ii) a [~~private, nonprofit college or university in the state that is accredited by the Northwest Commission on Colleges and Universities~~ **§**→ **private postsecondary educational institution**] **private, nonprofit institution of higher education in the state** ←**§** .

(b) "Eligible student" means a student who:

- (i) applies to the board in accordance with the rules described in Subsection (5);
- (ii) is enrolled in an eligible institution; and

(iii) meets the criteria established by the board in rules described in Subsection (5).

(c) "Fee" means:

(i) for an eligible institution that is a degree-granting institution, a fee approved by the board; or

(ii) for an eligible institution that is a technical college, a fee approved by the eligible institution.

(d) "Program" means the Opportunity Scholarship Program described in this section.

(2)(a) Subject to legislative appropriations, the board shall annually distribute money for the Opportunity Scholarship Program described in this section to each eligible institution to award as Opportunity scholarships to eligible students.

(b) The board shall annually determine the amount of an Opportunity scholarship based on:

(i) the number of eligible students in the state; and

(ii) money available for the program.

(c) The board may not use more than 3% of the money appropriated to the program for administrative costs and overhead.

(3)(a) Except as provided in this Subsection (3), an eligible institution shall provide to an eligible student an Opportunity scholarship in the amount determined by the board described in Subsection (2)(b).

(b) For an Opportunity scholarship for which an eligible student applies on or before July 1, 2019, an eligible institution may reduce the amount of the Opportunity scholarship based on other state aid awarded to the eligible student for tuition and fees.

(c) For an Opportunity scholarship for which an eligible student applies after July 1, 2019:

(i) an eligible institution shall reduce the amount of the Opportunity scholarship so that the total amount of state aid awarded to the eligible student, including tuition or fee waivers and the Opportunity scholarship, does not exceed the cost of the eligible student's tuition and fees; and

(ii) the eligible student may only use the Opportunity scholarship for tuition and fees.

(d) An institution described in Subsection (1)(a)(ii) may not award an Opportunity scholarship to an eligible student in an amount that exceeds the average total cost of tuition and fees among the eligible institutions described in Subsection (1)(a)(i).

(e) If the allocation for an eligible institution described in Subsection (1)(a)(ii) is

insufficient to provide the amount described in Subsection (2)(b) to each eligible student, the eligible institution may reduce the amount of an Opportunity scholarship.

(4) The board may:

- (a) audit an eligible institution's administration of Opportunity scholarships;
- (b) require an eligible institution to repay to the board money distributed to the eligible institution under this section that is not provided to an eligible student as an Opportunity scholarship; and
- (c) require an eligible institution to enter into a written agreement with the board in which the eligible institution agrees to provide the board with access to information and data necessary for the purposes of the program.

(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules that establish:

- (a) requirements related to an eligible institution's administration of Opportunity scholarships;
- (b) a process for a student to apply to the board to determine the student's eligibility for an Opportunity scholarship;
- (c) criteria to determine a student's eligibility for an Opportunity scholarship, including:
 - (i) minimum secondary education academic performance standards; and
 - (ii) the completion of a Free Application for Federal Student Aid or a process approved by the board in lieu of the Free Application for Federal Student Aid;
- (d) a requirement for each eligible institution to annually report to the board on all Opportunity scholarships awarded by the eligible institution; and
- (e) a process for a student to apply to the board for an Opportunity scholarship who would have likely received the scholarship but for an irreconcilable error in the application process described in Subsection (5)(b).

(6) The board shall annually report on the program to the Higher Education Appropriations Subcommittee.

(7) The State Board of Education, a school district, or a public high school shall cooperate with the board and eligible institutions to facilitate the program, including by exchanging relevant data where allowed by law.

Section 8. Section **53B-8a-102.5** is amended to read:

53B-8a-102.5 (Effective 05/07/25). Definitions for part.

As used in this part:

(1) "Administrative fund" means the money used to administer the Utah Educational

Savings Plan.

(2) "Board" means the Utah Education Savings Board of Trustees created in Section 53B-8a-105.

(3) "Endowment fund" means the endowment fund established under Section 53B-8a-107, which is held as a separate fund within the Utah Educational Savings Plan.

(4) "Executive director" means the administrator appointed to administer and manage the Utah Educational Savings Plan.

(5) "Federally insured depository institution" means an institution whose deposits and accounts are to any extent insured by a federal deposit insurance agency, including the Federal Deposit Insurance Corporation and the National Credit Union Administration.

(6) "Grantor trust" means a trust, the income of which is for the benefit of the grantor under Section 677, Internal Revenue Code.

(7) "Higher education costs" means qualified higher education expenses as defined in Section 529(e)(3), Internal Revenue Code.

(8) "Eligible educational institution" means the same as that term is defined in Section 529(e)(5), Internal Revenue Code.

~~[(8)]~~ (9) "Owner of the grantor trust" means one or more individuals who are treated as an owner of a trust under Section 677, Internal Revenue Code, if that trust is a grantor trust.

~~[(9)]~~ (10) "Program fund" means the program fund created under Section 53B-8a-107, which is held as a separate fund within the Utah Educational Savings Plan.

~~[(10)]~~ (11) "Qualified investment" means an amount invested in accordance with an account agreement established under this part.

~~[(11)]~~ (12) "Tuition and fees" means the quarterly or semester charges imposed to attend an institution of higher education and required as a condition of enrollment.

Section 9. Section **53B-8a-103** is amended to read:

53B-8a-103 (Effective 05/07/25). Creation of Utah Educational Savings Plan -- Powers and duties of plan -- Certain exemptions.

(1) There is created the Utah Educational Savings Plan, which may also be known and do business as:

(a) the Utah Educational Savings Plan Trust; or

(b) another related name.

(2) The plan:

(a) is a non-profit, self-supporting agency that administers a public trust;

(b) shall administer the various programs, funds, trusts, plans, functions, duties, and

obligations assigned to the plan:

(i) consistent with sound fiduciary principles; and

(ii) subject to review of the board; and

(c) shall be known as and managed as a qualified tuition program in compliance with Section 529, Internal Revenue Code, that is sponsored by the state.

(3) The plan may:

(a) make and enter into contracts necessary for the administration of the plan payable from plan money, including:

(i) contracts for goods and services; and

(ii) contracts to engage personnel, with demonstrated ability or expertise, including consultants, actuaries, managers, counsel, and auditors for the purpose of rendering professional, managerial, and technical assistance and advice;

(b) adopt a corporate seal and change and amend the corporate seal;

(c) invest money within the program, administrative, and endowment funds in accordance with the provisions under Section 53B-8a-107;

(d) enter into agreements with account owners, any ~~[institution of higher education]~~ eligible educational institution, any federal or state agency, or other entity as required to implement this chapter;

(e) solicit and accept any grants, gifts, legislative appropriations, and other money from the state, any unit of federal, state, or local government, or any other person, firm, partnership, or corporation for deposit to the administrative fund, endowment fund, or the program fund;

(f) make provision for the payment of costs of administration and operation of the plan;

(g) carry out studies and projections to advise account owners regarding:

(i) present and estimated future higher education costs; and

(ii) levels of financial participation in the plan required to enable account owners to achieve their educational funding objective;

(h) participate in federal, state, local governmental, or private programs;

(i) create public and private partnerships, including investment or management relationships with other 529 plans or entities;

(j) promulgate, impose, and collect administrative fees and charges in connection with transactions of the plan, and provide for reasonable service charges;

(k) procure insurance:

(i) against any loss in connection with the property, assets, or activities of the plan;

- 605 and
- 606 (ii) indemnifying any member of the board from personal loss or accountability
- 607 arising from liability resulting from a member's action or inaction as a member of
- 608 the plan's board;
- 609 (l) administer outreach efforts to:
- 610 (i) market and publicize the plan and the plan's products to existing and prospective
- 611 account owners; and
- 612 (ii) encourage economically challenged populations to save for post-secondary
- 613 education;
- 614 (m) adopt, trademark, and copyright names and materials for use in marketing and
- 615 publicizing the plan and the plan's products;
- 616 (n) administer the funds of the plan;
- 617 (o) sue and be sued in the plan's own name;
- 618 (p) own institutional accounts in the plan to establish and administer:
- 619 (i) scholarship programs; or
- 620 (ii) other college savings incentive programs, including programs designed to
- 621 enhance the savings of low income account owners investing in the plan; and
- 622 (q) have and exercise any other powers or duties that are necessary or appropriate to
- 623 carry out and effectuate the purposes of this chapter.
- 624 (4)(a) Except as provided in Subsection (4)(b), the plan is exempt from the provisions of
- 625 Title 63G, Chapter 2, Government Records Access and Management Act.
- 626 (b)(i) The annual audited financial statements of the plan described in Section
- 627 53B-8a-111 are public records.
- 628 (ii) Financial information that is provided by the plan to the state auditor and posted
- 629 on the public finance website established by the state auditor in accordance with
- 630 Section 67-3-12 is a public record.
- 631 (5) The plan is subject to:
- 632 (a) Title 52, Chapter 4, Open and Public Meetings Act; and
- 633 (b) Title 63G, Chapter 6a, Utah Procurement Code.
- 634 Section 10. Section **53B-8a-106** is amended to read:
- 635 **53B-8a-106 (Effective 05/07/25). Account agreements.**
- 636 The plan may enter into account agreements with account owners on behalf of
- 637 beneficiaries under the following terms and agreements:
- 638 (1)(a) An account agreement may require an account owner to agree to invest a specific

amount of money in the plan for a specific period of time for the benefit of a specific beneficiary, not to exceed an amount determined by the executive director.

(b) Account agreements may be amended to provide for adjusted levels of payments based upon changed circumstances or changes in educational plans.

(c) An account owner may make additional optional payments as long as the total payments for a specific beneficiary do not exceed the total estimated higher education costs as determined by the executive director.

(d) Subject to Subsections (1)(f) and (g), the maximum amount of a qualified investment that a corporation that is an account owner may subtract from unadjusted income for a taxable year in accordance with Title 59, Chapter 7, Corporate Franchise and Income Taxes, is \$1,710 for each individual beneficiary for the taxable year beginning on or after January 1, 2010, but beginning on or before December 31, 2010.

(e) Subject to Subsections (1)(f) and (g), the maximum amount of a qualified investment that may be used as the basis for claiming a tax credit in accordance with Section 59-10-1017, is:

(i) subject to Subsection (1)(e)(iv), for a resident or nonresident estate or trust that is an account owner, \$1,710 for each individual beneficiary for the taxable year beginning on or after January 1, 2010, but beginning on or before December 31, 2010;

(ii) subject to Subsection (1)(e)(iv), for a resident or nonresident individual that is an account owner, other than a husband and wife who are account owners and file a single return jointly under Title 59, Chapter 10, Individual Income Tax Act, \$1,710 for each individual beneficiary for the taxable year beginning on or after January 1, 2010, but beginning on or before December 31, 2010;

(iii) subject to Subsection (1)(e)(iv), for a husband and wife who are account owners and file a single return jointly under Title 59, Chapter 10, Individual Income Tax Act, \$3,420 for each individual beneficiary:

(A) for the taxable year beginning on or after January 1, 2010, but beginning on or before December 31, 2010; and

(B) regardless of whether the plan has entered into:

(I) a separate account agreement with each spouse; or

(II) a single account agreement with both spouses jointly; or

(iv) for a grantor trust:

(A) if the owner of the grantor trust has a single filing status or head of household

- 673 filing status as defined in Section 59-10-1018, the amount described in
674 Subsection (1)(e)(ii); or
- 675 (B) if the owner of the grantor trust has a joint filing status as defined in Section
676 59-10-1018, the amount described in Subsection (1)(e)(iii).
- 677 (f)(i) For taxable years beginning on or after January 1, 2011, the executive director
678 shall annually increase the maximum amount of a qualified investment described
679 in Subsections (1)(d) and (1)(e)(i) and (ii), by a percentage equal to the increase in
680 the consumer price index for the preceding calendar year.
- 681 (ii) After making an increase required by Subsection (1)(f)(i), the executive director
682 shall:
- 683 (A) round the maximum amount of the qualified investments described in
684 Subsections (1)(d) and (1)(e)(i) and (ii) increased under Subsection (1)(f)(i) to
685 the nearest 10 dollar increment; and
- 686 (B) increase the maximum amount of the qualified investment described in
687 Subsection (1)(e)(iii) so that the maximum amount of the qualified investment
688 described in Subsection (1)(e)(iii) is equal to the product of:
- 689 (I) the maximum amount of the qualified investment described in Subsection
690 (1)(e)(ii) as rounded under Subsection (1)(f)(ii)(A); and
- 691 (II) two.
- 692 (iii) For purposes of Subsections (1)(f)(i) and (ii), the executive director shall
693 calculate the consumer price index as provided in Sections 1(f)(4) and 1(f)(5),
694 Internal Revenue Code.
- 695 (g) For taxable years beginning on or after January 1, 2011, the executive director shall
696 keep the previous year's maximum amount of a qualified investment described in
697 Subsections (1)(d) and (1)(e)(i) and (ii) if the consumer price index for the preceding
698 calendar year decreases.
- 699 (2)(a) Beneficiaries designated in account agreements must be designated after birth and
700 before age 19 for an account owner to:
- 701 (i) subtract a qualified investment from income under Title 59, Chapter 7, Corporate
702 Franchise and Income Taxes; or
- 703 (ii) use a qualified investment as the basis for claiming a tax credit in accordance
704 with Section 59-10-1017.
- 705 (b) Account owners may designate a beneficiary age 19 or older, but investments for
706 that beneficiary are not eligible to be:

- 707 (i) subtracted from income under Title 59, Chapter 7, Corporate Franchise and
708 Income Taxes; or
- 709 (ii) used as the basis for claiming a tax credit in accordance with Section 59-10-1017.
- 710 (3) Each account agreement shall state clearly that there are no guarantees regarding money
711 in the plan as to the return of principal and that losses could occur.
- 712 (4) Each account agreement shall provide that:
- 713 (a) a contributor to, or designated beneficiary under, an account agreement may not
714 direct the investment of any contributions or earnings on contributions;
- 715 (b) any part of the money in any account may not be used as security for a loan; and
- 716 (c) an account owner may not borrow from the plan.
- 717 (5) The execution of an account agreement by the plan may not guarantee in any way that
718 higher education costs will be equal to projections and estimates provided by the plan or
719 that the beneficiary named in any account agreement will:
- 720 (a) be admitted to an ~~[institution of higher education]~~ eligible educational institution;
- 721 (b) if admitted, be determined a resident for tuition purposes by the ~~[institution of higher~~
722 ~~education]~~ eligible educational institution;
- 723 (c) be allowed to continue attendance at the ~~[institution of higher education]~~ eligible
724 educational institution following admission; or
- 725 (d) graduate from the ~~[institution of higher education]~~ eligible educational institution.
- 726 (6) A beneficiary may be changed as permitted by the rules and regulations of the board
727 upon written request of the account owner prior to the date of admission of any
728 beneficiary under an account agreement by an ~~[institution of higher education]~~ eligible
729 educational institution so long as the substitute beneficiary is eligible for participation.
- 730 (7) An account agreement may be freely amended throughout the term of the account
731 agreement in order to enable an account owner to increase or decrease the level of
732 participation, change the designation of beneficiaries, and carry out similar matters as
733 authorized by rule.
- 734 (8) Each account agreement shall provide that:
- 735 (a) the account agreement may be canceled upon the terms and conditions, and upon
736 payment of the fees and costs set forth and contained in the board's rules and
737 regulations; and
- 738 (b) the executive director may amend the agreement unilaterally and retroactively, if
739 necessary, to maintain the plan as a qualified tuition program under Section 529,
740 Internal Revenue Code.

Section 11. Section **53B-8a-107** is amended to read:

53B-8a-107 (Effective 05/07/25). Program, administrative, and endowment funds

-- Investment and payments from funds -- Proxy voting -- State treasurer access.

(1) The plan shall segregate money received by the plan into three funds, the program fund, the administrative fund, and the endowment fund.

(2) The board shall:

(a) invest the plan in a manner that is consistent with the prudent investor rule for trustees established in Title 75, Chapter 7, Part 9, Utah Uniform Prudent Investor Act;

(b) in accordance with the board's fiduciary responsibilities, make investment decisions with the sole purpose of maximizing the risk-adjusted return on the investments; and

(c) to the extent practicable:

(i)(A) retain the right to vote investor proxies; or

(B) if the investments are commingled with another investor's funds, request the right to vote investor proxies; and

(ii) ensure proxy voting is exercised to maximize risk-adjusted returns for the exclusive benefit of beneficiaries.

(3) Transfers may be made from the program fund to the administrative fund to pay operating costs:

(a) associated with administering the plan and as required under Sections 53B-8a-103 through 53B-8a-105; and

(b) as included in the budget approved by the board.

(4)(a) All money paid by account owners in connection with account agreements shall be deposited as received into separate accounts within the program fund which shall be invested and accounted for separately.

(b) Money accrued by account owners in the program fund may be used for:

(i) payments to any ~~[institution of higher education]~~ eligible educational institution;

(ii) payments to the account owner or beneficiary;

(iii) transfers to another 529 plan; or

(iv) other expenditures or transfers made in accordance with the account agreement.

(5)(a) All money received by the plan from the proceeds of gifts and other endowments for the purposes of the plan shall be:

(i) deposited, according to the nature of the donation, as received into the endowment fund or the administrative fund; and

(ii) invested and accounted for separately.

(b) Any gifts, grants, or donations made by any governmental unit or any person, firm, partnership, or corporation to the plan for deposit to the endowment fund or the administrative fund is a grant, gift, or donation to the state for the accomplishment of a valid public eleemosynary, charitable, and educational purpose and is not included in the income of the donor for Utah tax purposes.

(c) The endowment fund or the administrative fund may be used to enhance the savings of low income account owners investing in the plan, for scholarships, or for other college savings incentive programs as approved by the board.

(d) Transfers may be made between the endowment fund and the administrative fund upon approval by the board.

(e) Endowment fund earnings not accruing to a beneficiary under an account agreement, not transferred to the administrative fund, or not otherwise approved by the board for expenditure, shall be reinvested in the endowment fund.

(6) Subsection (2) does not prohibit the board from offering individual account owners a variety of voluntary investment options that have different risk profiles and investment objectives.

(7)(a) The board shall make proxy voting records available to the state treasurer upon the state treasurer's request.

(b) The state treasurer is subject to the same restrictions on disclosure of the proxy voting records as the board.

Section 12. Section **53B-8a-201** is amended to read:

53B-8a-201 (Effective 05/07/25). Definitions.

As used in this part:

(1) "529 savings account" means a tax-advantaged method of saving for higher education costs on behalf of a particular individual that:

(a) meets the requirements of Section 529, Internal Revenue Code; and

(b) is managed by the plan.

(2) "Child" means an individual less than 20 years of age.

(3) "Community partner" means a nonprofit organization that provide services to a child who is economically disadvantaged or a family member, legal guardian, or legal custodian of a child who is economically disadvantaged.

(4) "Donation" means a gift, grant, donation, or any other conveyance of money by a person other than the Legislature that is not made directly for the benefit or on behalf of a particular individual.

- 809 (5) "Economically disadvantaged" means that a child is:
- 810 (a) experiencing intergenerational poverty;
- 811 (b) a member or foster child of a family with an annual income at or below 185% of the
- 812 federal poverty level;
- 813 (c) living with a legal custodian or legal guardian with an annual family income at or
- 814 below 185% of the federal poverty level; or
- 815 (d) living with a legal custodian or legal guardian who can attest that the child or the
- 816 child's household is receiving services benefitting low-income households or
- 817 individuals.
- 818 (6) "Eligible individual" means an individual who:
- 819 (a) is under 20 years of age and is a resident of Utah;
- 820 (b) is economically disadvantaged; and
- 821 (c) receives, or has a family member, a foster family member, or a legal custodian or
- 822 legal guardian who receives, services from a community partner.
- 823 (7) "Federal poverty level" means the poverty level as defined by the most recently revised
- 824 poverty income guidelines published by the United States Department of Health and
- 825 Human Services in the Federal Register.
- 826 (8) "Higher education costs" means the same as that term is defined in Section 53B-8a-102.5,
- 827 except that the expenses must be incurred at:
- 828 (a) a credit-granting ~~[institution of higher education]~~ eligible educational institution
- 829 within the state system of higher education;
- 830 (b) a ~~[private, nonprofit college or university in the state that is accredited by the~~
- 831 ~~Northwestern Association of Schools and Colleges]~~ private postsecondary educational
- 832 institution; or
- 833 (c) a technical college.
- 834 (9) "Intergenerational poverty" means the same as that term is defined in Section 35A-9-102.
- 835 (10) "Program" means the Student Prosperity Savings Program created in Section
- 836 53B-8a-202.
- 837 Section 13. Section **53B-8a-204** is amended to read:
- 838 **53B-8a-204 (Effective 05/07/25). Distribution of program money -- Application**
- 839 **process -- Prioritization -- Account agreements.**
- 840 (1) The plan shall distribute money in the program by creating a 529 savings account for an
- 841 eligible individual identified by a community partner.
- 842 (2)(a)(i) The plan shall carry out the responsibility described in Subsection (1) by

843 establishing a process in which a community partner may apply for an allocation
844 of program money to designate for eligible individuals.

845 (ii) The Utah Board of Higher Education shall establish the application process for a
846 community partner to apply for an allocation of program money.

847 (iii) The application process described in Subsection (2)(a)(ii) shall include:

848 (A) the criteria for a community partner to apply for an allocation of program
849 money;

850 (B) the criteria that the plan will use to prioritize applications if the dollar amounts
851 requested in the applications exceed the dollar amount available;

852 (C) the requirements for establishing a 529 savings account in the name of an
853 eligible individual; and

854 (D) the roles and responsibilities of a community partner that makes a successful
855 application for an allocation of program money.

856 (b)(i) A community partner that receives an allocation of program money shall enter
857 into a contract with the plan.

858 (ii) The contract described in Subsection (2)(b)(i) shall:

859 (A) define the roles and responsibilities of the community partner and the plan
860 with regard to the community partner's allocation of program money; and

861 (B) specify that the individual the community partner identifies to receive a
862 portion of the community partner's allocation is an eligible individual.

863 (3) If the plan approves a community partner's application for an allocation of program
864 money, the plan may not promise or otherwise encumber the allocation to any other
865 person unless the allocation is forfeited under Subsection (5)(b)(ii).

866 (4)(a) A community partner shall identify each eligible individual who will receive a
867 portion of the community partner's allocation of program money.

868 (b) After a community partner identifies an eligible individual to receive a portion of the
869 community partner's allocation, the community partner shall notify the plan of:

870 (i) the amount of the community partner's allocation that shall transfer to a 529
871 savings account in the name of the identified eligible individual; and

872 (ii) the amount, if any, that the community partner will be contributing in accordance
873 with Part 1, Utah Educational Savings Plan, to the 529 savings account on behalf
874 of the identified eligible individual.

875 (5)(a) Upon receiving the information described in Subsection (4)(b), the plan shall
876 establish a 529 savings account for the identified eligible individual, with the

community partner as the account owner.

(b) The community partner shall inform the beneficiary that:

(i) within three years after the day on which the beneficiary graduates from high school, the beneficiary shall enroll in:

(A) a credit-granting [~~institution of higher education~~] eligible educational institution within the state system of higher education;

(B) a [~~private, nonprofit college or university in the state that is accredited by the Northwestern Association of Schools and Colleges~~] private postsecondary educational institution; or

(C) a technical college; and

(ii) if the beneficiary fails to enroll within three years after the day on which the beneficiary graduates from high school, any money that remains in the 529 savings account shall be returned to the program.

(c) After entering into the account agreement described in Subsection (5)(a), the plan shall deposit into the beneficiary's 529 savings account the amount of the allocation described in Subsection (4)(b)(i).

Section 14. Section **53B-10-101** is amended to read:

53B-10-101 (Effective 05/07/25). Terrel H. Bell Teaching Incentive Loans program -- Eligible students -- Cancellation of incentive loans -- Repayment by recipient who fails to meet requirements -- Duration of incentive loans.

(1)(a) Notwithstanding the provisions of this section, the board may not award an incentive loan described in this section on or after July 1, 2019.

(b) The provisions of this section apply to an incentive loan described in this section that was awarded before July 1, 2019.

(2)(a) A Terrel H. Bell Teaching Incentive Loans program is established to recruit and train superior candidates for teaching in Utah's public school system as a component of the teacher quality continuum referred to in Subsections 53E-2-302(7) and 53E-6-103(2)(a).

(b) Under the program, the incentive loans may be used in any of Utah's state-operated institutions of higher education or at a [~~private institution of higher education~~] private postsecondary educational institution in Utah that offers a state-approved teacher education program.

(3)(a) The board shall award the incentive loans to college students who have been admitted to, or have made application to and are prepared to enter into, a program

911 preparing students for licensure and who declare an intent to complete the prescribed
912 course of instruction and to teach in this state in accordance with the priorities
913 described under Subsection (6)(c).

914 (b) The incentive loan may be canceled at any time by the institution of attendance if:

915 (i) the student fails to make reasonable progress toward completion of licensing
916 requirements; or

917 (ii) it appears to be a reasonable certainty that the student does not intend to teach in
918 Utah.

919 (c) The board may grant leaves of absence to incentive loan holders.

920 (d) The board may establish by rule made in accordance with Title 63G, Chapter 3, Utah
921 Administrative Rulemaking Act, criteria and procedures under which the board may
922 forgive a loan made under this section.

923 (4) The board may require an incentive loan recipient who fails to complete the
924 requirements for licensing without good cause to repay all tuition and fees provided by
925 the loan, together with appropriate interest.

926 (5)(a) The board may require an incentive loan recipient who does not work in the state's
927 public school system or a private school within the state within two years after
928 graduation to repay all tuition and fees provided by the loan, together with
929 appropriate interest, unless waived for good cause.

930 (b)(i) A recipient who does not teach for a term equal to the number of years of the
931 incentive loan within a reasonable period of time after graduation shall repay a
932 graduated portion of the tuition and fees based upon the uncompleted term.

933 (ii) One year of teaching is credit for one year's tuition and fees.

934 (c) All repayments made under this Subsection (5) are for use in the Terrel H. Bell
935 Education Scholarship Program described in Section 53B-8-116.

936 (6)(a) Each incentive loan is valid for up to four years of full-time equivalent
937 enrollment, or until requirements for licensing or advanced licensing have been met,
938 whichever is less.

939 (b)(i) Incentive loans apply to both tuition and fees in amounts and are subject to
940 conditions approved by the board, based upon criteria developed to ensure that all
941 recipients of the loans will pursue an education career within the state.

942 (ii) An incentive loan for tuition and fees at a ~~[private institution]~~ private
943 postsecondary educational institution may not exceed the average scholarship
944 amounts granted for tuition and fees at public institutions of higher education

945 within the state.

946 (c) Incentive loans shall be awarded in accordance with prioritized critical areas of need
947 for teaching expertise within the state, as determined by the State Board of
948 Education's criticality index and school district priorities based upon data provided by
949 the school district, and may include preparing persons as:

950 (i) a special education teacher;

951 (ii) a speech or language pathologist; or

952 (iii) another licensed professional providing services in the public schools to pupils
953 with disabilities.

954 Section 15. Section **53B-13-111** is amended to read:

955 **53B-13-111 (Effective 05/07/25). Loans or purchase of obligations -- Rules --**
956 **Options -- Repayment of federally insured loans.**

- 957 (1) The board may purchase obligations from lenders or make loans to eligible borrowers,
958 out of money available to the board for loans. The board shall promulgate rules for
959 determining the needs of the respective borrowers for loans and for the purpose of
960 making loans or purchasing obligations. The amount of an obligation purchased by the
961 board or of a loan made by the board to an eligible borrower, whether enrolled or to be
962 enrolled in a [~~private institution~~] private postsecondary educational institution or a
963 tax-supported public institution, is determined by the board upon the basis of
964 substantially similar standards and guides set forth in the board's rules. The board, in
965 determining the needs of eligible borrowers for guaranteed loans, may consider the
966 amount of assistance available to the students.
- 967 (2) When the board purchases an obligation or makes a loan, and again immediately before
968 a repayment schedule on the loan or obligation is signed by the borrower, the board shall
969 cause a written statement to be delivered to the borrower describing in detail whether an
970 option exists and, if so, who may exercise the option, under what conditions the option
971 may be exercised, and what options are available relating to the following:
- 972 (a) the term of the loan;
- 973 (b) the repayment period on the loan;
- 974 (c) an extension of the term or repayment period on the loan and the conditions of
975 repayment under the extension;
- 976 (d) a deferment or forbearance on the repayment of the loan or on interest accruing on
977 the loan, whether interest is to be paid during the deferment or forbearance, and the
978 terms of repayment after the deferment or forbearance;

- (e) the period of time between installment payments on the loan and whether graduated or unequal installment payments may be made;
- (f) the minimum annual payment on the loan, and if more than one loan is taken from the board or if the borrower takes or has taken an educational loan from another source, the availability of consolidation, transfer, or assignment of the loans and the minimum annual payment on the aggregate of the loans;
- (g) the granting of an interview before or at the time the borrower signs a repayment schedule; and
- (h) the revision or renegotiation of the repayment schedule on the loan after repayment has commenced, or if other educational loans from the board or another source are taken after the repayment has commenced.

- (3) On obligations purchased or loans made by the board which are federally insured loans, the board may establish variable repayment schedules conforming to the need and documented income levels of borrowers, if the schedules are not inconsistent with federal laws, rules, or regulations governing the insured loans. A borrower making payments on a loan may request and be granted a revised repayment term or schedule based upon the established variable repayment schedules.

Section 16. Section **53B-13a-102** is amended to read:

53B-13a-102 (Effective 05/07/25). Definitions.

As used in this chapter:

- (1)(a) "Cost of attendance" means the estimated costs associated with attending an institution, as established by the institution in accordance with board policies.
- (b) "Cost of attendance" includes costs payable to the institution, other direct educational expenses, transportation, and living expenses while attending the institution.
- (2)(a) "Eligible student" means a financially needy student who is:
- (i) unconditionally admitted to and enrolled at a Utah postsecondary institution on at least a half-time basis, as defined by the board, in an eligible postsecondary program leading to a defined education or training objective, as defined by the board;
 - (ii) making satisfactory academic progress, as defined by the institution in published policies or rules, toward an education or training objective; and
 - (iii)(A) a resident student under Section 53B-8-102 and rules of the board; or
(B) exempt from paying the nonresident portion of total tuition under Section 53B-8-106.

- 1013 (b) "Eligible student" does not include a graduate student.
- 1014 (3) "Financially needy student" means a student who demonstrates the financial inability to
 1015 meet all or a portion of the cost of attendance at an institution for any period of
 1016 attendance as defined by the board, after considering the student's expected family
 1017 contribution.
- 1018 (4) "Fiscal year" means the fiscal year of the state.
- 1019 (5) "Partner award" means a financial award described in Section 53B-13a-106.
- 1020 (6) "Program" means the Utah Promise Program.
- 1021 (7) "Promise partner" means an employer that participates in the program described in
 1022 Section 53B-13a-106.
- 1023 (8) "Utah postsecondary institution" or "institution" means:
 1024 (a) an institution of higher education listed in Section 53B-1-102; or
 1025 (b) a Utah ~~[private, nonprofit postsecondary institution that is accredited by an~~
 1026 ~~accrediting organization that the United States Department of Education recognizes]~~
 1027 private §→ , nonprofit ←§ postsecondary educational institution.
- 1028 Section 17. Section **53B-13b-102** is amended to read:
 1029 **53B-13b-102 (Effective 05/07/25). Definitions.**
- 1030 As used in this chapter:
- 1031 (1) "Federal program" means a veterans educational assistance program established in:
 1032 (a) United States Code, Title 10, Chapter 1606, Educational Assistance for Members of
 1033 the Selected Reserve;
 1034 (b) United States Code, Title 38, Chapter 30, All-Volunteer Force Educational
 1035 Assistance Program;
 1036 (c) United States Code, Title 38, Chapter 31, Training and Rehabilitation for Veterans
 1037 with Service-Connected Disabilities;
 1038 (d) United States Code, Title 38, Chapter 32, Post-Vietnam Era Veterans' Educational
 1039 Assistance; or
 1040 (e) United States Code, Title 38, Chapter 33, Post-9/11 Educational Assistance.
- 1041 (2) "Institution of higher education" or "institution" means:
 1042 (a) an institution of higher education listed in Subsection 53B-2-101(1); or
 1043 (b) a ~~[private, nonprofit, postsecondary institution located in Utah that is accredited by~~
 1044 ~~an accrediting organization that the United States Department of Education recognizes]~~
 1045 private postsecondary educational institution.
- 1046 (3) "Program" means the Veterans Tuition Gap Program created in this chapter.

- 1047 (4)(a) "Qualifying military veteran" means a veteran, as defined in Section 68-3-12.5,
1048 who:
- 1049 (i) is a resident student under Section 53B-8-102 and rules of the board;
 - 1050 (ii) is accepted into an institution and enrolled in a program leading to a bachelor's
1051 degree;
 - 1052 (iii)(A) has exhausted the federal benefit under a federal program; or
1053 (B) demonstrates that the veteran no longer qualifies to receive federal benefits
1054 under any federal program; and
 - 1055 (iv) has not completed a bachelor's degree.
- 1056 (b) "Qualifying military veteran" does not include a family member.
- 1057 Section 18. Section **53B-13c-101** is amended to read:
- 1058 **53B-13c-101 (Effective 05/07/25). Definitions.**
- 1059 As used in this chapter:
- 1060 (1)(a) "Cost of attendance" means the estimated costs associated with taking an online
1061 course, as established by an eligible institution in accordance with board policies.
 - 1062 (b) "Cost of attendance" includes tuition, costs payable to the eligible institution, and
1063 other direct educational expenses related to taking an online course.
 - 1064 (2) "Eligible institution" means an institution that offers a postsecondary level course of
1065 instruction using digital technology.
 - 1066 (3) "Eligible student" means a financially needy student who is:
 - 1067 (a) at least 26 years old;
 - 1068 (b) enrolled in an online course at an eligible institution;
 - 1069 (c) pursuing:
 - 1070 (i) an online postsecondary degree program in a field where there is a demonstrated
1071 industry need; or
 - 1072 (ii) an online non-degree program that is designed to meet industry needs and leads to
1073 a certificate or another recognized educational credential; and
 - 1074 (d) a resident student under Section 53B-8-102 and rules the board establishes.
 - 1075 (4) "Financially needy student" means a student who demonstrates the financial inability to
1076 meet all or a portion of the cost of attendance at an eligible institution as defined by the
1077 board, after utilizing family and personal resources, federal assistance, and scholarships.
 - 1078 (5) "Fiscal year" means the fiscal year of the state.
 - 1079 (6) "Institution" means:
 - 1080 (a) an institution described in Section 53B-1-102; or

(b) a Utah [~~private, nonprofit postsecondary institution that is accredited by an accrediting organization that the United States Department of Education recognizes]~~
private postsecondary educational institution.

(7) "Online course" means a postsecondary level course of instruction offered by an eligible institution using digital technology.

(8) "Program" means the Adult Learners Grant Program established in Section 53B-13c-102.

(9) "Tuition" means tuition and fees at the rate charged for residents of the state.

Section 19. Section **53B-16-105** is amended to read:

53B-16-105 (Effective 05/07/25). Common course numbering -- Transferability of credits -- Agreement with competency-based general education provider -- Policies.

(1) As used in this section:

(a) "Accredited institution" means an institution that:

(i) offers a competency-based postsecondary general education course online or in person; and

(ii) is accredited by an organization that the United States Department of Education recognizes.

(b) "Articulation agreement" means an agreement between the board and a provider that allows a student to transfer credit awarded by the provider for a general education course to any institution of higher education.

(c) "Competency-based" means a system where a student advances to higher levels of learning when the student demonstrates competency of concepts and skills regardless of time, place, or pace.

(d) "Competency-based general education provider" or "provider" means a [~~private institution]~~ private postsecondary educational institution that:

(i) offers a postsecondary competency-based general education course online or in person;

(ii) awards academic credit; and

(iii) does not award degrees, including associates degrees or baccalaureate degrees.

(e) "Credit for prior learning" means the same as that term is defined in Section 53B-16-110.

(f) "Institution of higher education" means an institution described in Section 53B-1-102.

(2) The board shall:

(a) facilitate articulation and the seamless transfer of courses, programs, and credit for prior learning within the Utah System of Higher Education;

- 1115 (b) provide for the efficient and effective progression and transfer of students within the
1116 Utah System of Higher Education;
- 1117 (c) avoid the unnecessary duplication of courses;
- 1118 (d) communicate ways in which a student may earn credit for prior learning; and
- 1119 (e) allow a student to proceed toward the student's educational objectives as rapidly as
1120 the student's circumstances permit.
- 1121 (3) The board shall develop, coordinate, and maintain a transfer and articulation system that:
- 1122 (a) maintains a course numbering system that assigns common numbers to specified
1123 courses of similar level with similar curricular content, rigor, and standards;
- 1124 (b) allows a student to track courses that transfer among institutions of higher education;
- 1125 (c) allows a student to transfer courses from a provider with which the board has an
1126 articulation agreement to any institution of higher education;
- 1127 (d) allows a student to transfer competency-based general education courses from an
1128 accredited institution to an institution of higher education;
- 1129 (e) improves program planning;
- 1130 (f) increases communication and coordination between institutions of higher education;
- 1131 (g) facilitates student acceleration and the transfer of students and credits between
1132 institutions of higher education; and
- 1133 (h) if the system includes a software or data tool:
- 1134 (i) provides predictive analysis that models probabilities of student success; and
1135 (ii) develops tailored strategies to best support students.
- 1136 (4)(a) The board shall identify general education courses in the humanities, social
1137 sciences, arts, physical sciences, and life sciences with uniform prefixes and common
1138 course numbers.
- 1139 (b) A degree-granting institution shall annually identify institution courses that satisfy
1140 requirements of courses described in Subsection (4)(a).
- 1141 (c) A degree-granting institution shall accept a course described in Subsection (3)(c),
1142 (3)(d), or (4)(a) toward filling specific area requirements for general education or
1143 lower division courses that transfer to baccalaureate majors.
- 1144 (5)(a) The board shall:
- 1145 (i) identify technical education programs with common names, descriptions, lengths,
1146 and objectives; and
- 1147 (ii) within technical education programs, common course names, descriptions, length,
1148 and objectives allowing for customization of electives to meet regional industry

1149 demand.

1150 (b) The commissioner shall appoint committees of faculty members from technical
1151 education committees to recommend aligned programs and courses that will satisfy
1152 graduation requirements.

1153 (6)(a) The board shall identify common prerequisite courses and course substitutions for
1154 degree programs across degree-granting institutions.

1155 (b) The commissioner shall appoint committees of faculty members from the
1156 degree-granting institutions to recommend appropriate courses of similar content and
1157 numbering that will satisfy requirements for lower division courses that transfer to
1158 baccalaureate majors.

1159 (c) A degree-granting institution shall annually identify institution courses that satisfy
1160 requirements of courses described in Subsection (6)(a).

1161 (d) A degree-granting institution shall accept a course described in Subsection (3)(c),
1162 (3)(d), or (6)(a) toward filling graduation requirements.

1163 (7)(a)(i) The board shall seek proposals from providers to enter into articulation
1164 agreements.

1165 (ii) A proposal described in Subsection (7)(a)(i) shall include the general education
1166 courses that the provider intends to include in an articulation agreement.

1167 (b) The board shall:

1168 (i) evaluate each general education course included in a proposal described in
1169 Subsection (7)(a) to determine whether the course is equally rigorous and includes
1170 the same subject matter as the equivalent course offered by any institution of
1171 higher education; and

1172 (ii) if the board determines that a course included in a provider's proposal is equally
1173 rigorous and includes the same subject matter as the equivalent course offered by
1174 any institution of higher education, enter into an articulation agreement with the
1175 provider.

1176 (8) The board shall establish policies to administer the policies and requirements described
1177 in this section.

1178 (9) The board shall include information demonstrating that institutions of higher education
1179 are complying with the provisions of this section and the policies established in
1180 accordance with Subsection (8) in the annual report described in Section 53B-1-402.

1181 Section 20. Section **53B-16-401** is amended to read:

1182 **53B-16-401 (Effective 05/07/25). Definitions.**

1183 As used in this part:

1184 (1)(a) "Cooperating employer" means a public or private entity which, as part of a work
1185 experience and career exploration program offered through an institution of higher
1186 education, provides interns with training and work experience in activities related to
1187 the entity's ongoing business activities.

1188 (b) "Cooperating employer" also means an institution of higher education that provides
1189 the work experience segment of an intern's work experience and career exploration
1190 program.

1191 (2) "Institution of higher education" means any:

1192 (a) component of the state system of higher education, as defined under Section
1193 53B-1-102, that is authorized by the board to offer internship programs; and

1194 (b) ~~[private institution of higher education]~~ private postsecondary educational institution
1195 which offers internship programs under this part.

1196 (3) "Intern" means a student enrolled in a work experience and career exploration program
1197 under Section 53B-16-402:

1198 (a) that an institution of higher education sponsors;

1199 (b) involves both classroom instruction and work experience with a cooperating
1200 employer; and

1201 (c) for which the student receives no compensation.

1202 (4) "Internship" means the work experience segment of an intern's work experience and
1203 career exploration program that:

1204 (a) an institution of higher education sponsors under a written agreement with a
1205 cooperating employer; and

1206 (b) an intern performs under the direct supervision of a cooperating employer.

1207 Section 21. Section **53B-17-901** is amended to read:

1208 **53B-17-901 (Effective 05/07/25). Admissions -- Increase authorized.**

1209 (1) Beginning with the 2013-14 school year and subject to Subsection (2), the University of
1210 Utah School of Medicine may increase the number of students admitted by 40 students
1211 for a total of 122 students admitted annually.

1212 (2) Beginning with the 2013-14 school year, no fewer than 82% of the students admitted
1213 annually shall:

1214 (a) meet the qualifications of a resident student for the purpose of tuition in accordance
1215 with:

1216 (i) Section 53B-8-102;

- 1217 (ii) board policy on determining resident status; and
 1218 (iii) University of Utah policy on determining resident status;
 1219 (b) have graduated from a public or ~~[private college or university]~~ private postsecondary
 1220 educational institution located in Utah; or
 1221 (c) have graduated from a public or private high school located in Utah.

1222 Section 22. Section **53B-17-904** is enacted to read:

1223 **53B-17-904 (Effective upon governor's approval). Agreement for out-of-state**
 1224 **students.**

1225 Notwithstanding ~~it~~ → [Section 53B-17-901] any other provision of this

1225a part ~~of~~ ← ~~it~~ , the University of

1225a Utah School of Medicine may,

1226 to teach a medical student from ~~it~~ → another state or ← ~~it~~ an institution outside the state,

1226a enter into an

1226a agreement with:

1227 (1) ~~it~~ → [another] a state entity from the other ← ~~it~~ state; or

1228 (2) ~~it~~ → [an] the ← ~~it~~ institution of higher education outside the state.

1229 Section 23. Section **53B-20-107** is amended to read:

1230 **53B-20-107 (Effective 05/07/25). Powers of chief administrative officer to order**
 1231 **individuals off an institution of higher education's property.**

1232 (1) As used in this section:

1233 (a) "Chief administrative officer" means the president of an institution or an individual
 1234 designated by the president.

1235 (b) "Institution of higher education" means:

1236 (i) a state institution of higher education as defined in Section 53B-3-102; or

1237 (ii) a ~~[private institution of higher education in the state accredited by a regional or~~
 1238 ~~national accrediting agency recognized by the United States Department of~~
 1239 ~~Education]~~ private postsecondary educational institution.

1240 (2) It is the purpose of this section to:

1241 (a) supplement and clarify the power vested in the governing board of each institution of
 1242 higher education; and

1243 (b) regulate, conduct, and enforce law and order on property owned, operated, or
 1244 controlled by each institution of higher education.

1245 (3) A chief administrative officer may order an individual to leave property that is owned,
 1246 operated, or controlled by an institution of higher education if:

- (a) the individual acts, or if the chief administrative officer has reasonable cause to believe that the individual intends to act, to:
- (i) cause injury to an individual;
 - (ii) cause damage to property;
 - (iii) commit a crime;
 - (iv) interfere with the peaceful conduct of the activities of the institution of higher education;
 - (v) violate a rule or regulation of the institution of higher education if that rule or regulation is not in conflict with state law; or
 - (vi) disrupt the institution of higher education, the institution's pupils, or the institution of higher education's activities; or
- (b) the individual is reckless as to whether the individual's actions will cause fear for the safety of another individual.
- (4)(a) If a law enforcement agency or security department of an institution of higher education lacks sufficient manpower to deal effectively with a condition of unrest existing or developing on a campus or related facility of the institution of higher education in the judgment of the chief administrative officer, the chief administrative officer may call for assistance from the county sheriff of the county, a city law enforcement agency, or the Department of Public Safety.
- (b) Upon receipt of the request under Subsection (4)(a), the county sheriff, a city law enforcement agency, or the Department of Public Safety must render all necessary assistance without expense to the institution of higher education.
- (c) All personnel while rendering assistance to the institution of higher education shall serve under the general direction of the chief administrative officer.

(5) Nothing in this section shall limit:

- (a) the right or duty of a local law enforcement agency to enforce the law which the local law enforcement agency had prior to this enactment; or
- (b) the right of a state or local law enforcement agency to enforce the laws of this state.

Section 24. Section **53B-28-102** is amended to read:

53B-28-102 (Effective 05/07/25). Definitions.

As used in this chapter, "institution" means a Utah institution that is a private postsecondary educational institution or a public [or private postsecondary] institution[that is located in Utah], including an institution of higher education listed in Section 53B-1-102.

Section 25. **Effective Date.**

- 1281 (1) Except as provided in Subsection (2), this bill takes effect May 7, 2025.
- 1282 (2) The actions affecting Section 53B-17-904 (Effective upon governor's approval) take
- 1283 effect:
- 1284 (a) except as provided in Subsection (2)(b), May 7, 2025; or
- 1285 (b) if approved by two-thirds of all members elected to each house:
- 1286 (i) upon approval by the governor;
- 1287 (ii) without the governor's signature, the day following the constitutional time limit of
- 1288 Utah Constitution, Article VII, Section 8; or
- 1289 (iii) in the case of a veto, the date of veto override.