

AMENDMENTS TO HOUSE BILL NO. 1324

Sponsor: SENATOR REGAN

Printer's No. 1783

1 Amend Bill, page 1, lines 1 through 8, by striking out all of
2 said lines and inserting

3 Amending Title 51 (Military Affairs) of the Pennsylvania
4 Consolidated Statutes, in military educational programs,
5 further providing for definitions, for eligibility, for
6 grants, for amount of grants, for limitations, for recoupment
7 of grant payments, for regulations, for administration and
8 for Educational Assistance Program Fund and providing for a
9 military family education program; and making editorial
10 changes.

11 Amend Bill, page 1, lines 11 through 17; pages 2 through 22,
12 lines 1 through 30; by striking out all of said lines on said
13 pages and inserting

14 Section 1. Sections 3201, 3202(a) introductory paragraph and
15 (1), (b) and (c) introductory paragraph, (4) and (5) and 3204 of
16 Title 51 of the Pennsylvania Consolidated Statutes are amended
17 to read:

18 § 3201. Definitions.

19 The following words and phrases when used in this subchapter
20 shall have the meanings given to them in this section unless the
21 context clearly indicates otherwise:

22 "Agency." The Pennsylvania Higher Education Assistance
23 Agency.

24 "Annual tuition rate." The in-State tuition rate, including
25 a technology tuition fee, established or approved by May 1 of
26 each year by the Board of Governors of the State System of
27 Higher Education.

28 "Approved institution of higher learning." An educational
29 institution offering a post-secondary program of education
30 located in this Commonwealth and approved by the [Pennsylvania
31 Higher Education Assistance Agency] agency.

32 "Approved program of education." A [degree-] degree-granting
33 or certificate-granting curriculum [or course of study], course
34 of study or training program required for entrance into a
35 specific career to be pursued on a full-time or part-time basis

1 or its equivalent as determined by the [Pennsylvania Higher
2 Education Assistance Agency] agency, at an approved institution
3 of higher learning.

4 ["Combat zone." An area designated by Presidential executive
5 order as a combat zone as described in section 7508 of the
6 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
7 7508).]

8 "Certificate of eligibility." A certificate issued by the
9 department that certifies a member's eligibility to receive an
10 educational assistance grant.

11 "Costs of attendance." Allowable educational expenses, as
12 determined by the agency, that are consistent with the
13 administration of the act of January 25, 1966 (1965 P.L.1546,
14 No.541), referred to as the Higher Education Scholarship Law.

15 "Educational assistance." A benefit earned which shall be
16 granted to an eligible member who has complied with all of the
17 requirements provided for under this subchapter.

18 "Eligible member." A member of the Pennsylvania National
19 Guard who meets the criteria specified in section 3202 (relating
20 to eligibility) and who has been awarded a certificate of
21 eligibility under section 3203 (relating to certification of
22 eligibility).

23 "Full-time student." [A student] An eligible member enrolled
24 in an approved institution of higher learning pursuing an
25 approved program of education equal to or greater than [15] 12
26 credit hours per semester or its equivalent that is recognized
27 by the [Pennsylvania Higher Education Assistance Agency] agency
28 as a full-time course of study.

29 "Fund." The Educational Assistance Program Fund.

30 "Part-time student." [A student] An eligible member enrolled
31 in an approved institution of higher education pursuing an
32 approved program of education of less than [15] 12 credit hours
33 per semester or its equivalent that is recognized by the
34 [Pennsylvania Higher Education Assistance Agency] agency as a
35 part-time course of study.

36 "Program." The Educational Assistance Program [established
37 in this subchapter].

38 ["Qualified resident." An individual who has been a bona
39 fide resident of this Commonwealth prior to the time an
40 application for a grant is made. The Pennsylvania Higher
41 Education Assistance Agency shall make the final decision on
42 whether an applicant is a qualified resident.]

43 "Promissory note." A written contract signed by a member of
44 the Pennsylvania National Guard in which the member promises to
45 repay the awarded grant amount.

46 "Technology tuition fee." A separate tuition fee established
47 by the Board of Governors of the State System of Higher
48 Education for rendering technology resources and services to
49 enhance student learning experiences.

50 § 3202. Eligibility.

51 (a) General rule.--A member of the Pennsylvania National

Guard [member] is eligible to receive [a public service educational] an educational assistance grant under this subchapter if the member meets all of the following eligibility criteria:

[(1) The member is a qualified resident of this Commonwealth.]

* * *

(b) Additional eligibility criteria for full-time [student assistance] educational assistance grants.--In addition to the eligibility criteria specified in subsection (a), [a student] an eligible member must meet the following eligibility criteria to qualify for a full-time [student assistance] educational assistance grant:

(1) The member does not possess a baccalaureate degree.

(2) The member accepts an obligation to serve in the Pennsylvania National Guard for a period of six years [from the date of entry into the program by enlistment, reenlistment, extension of enlistment or execution of a service commitment.] and has not accepted an obligation under Subch. A.1 (relating to Military Family Education Program) for the same six-year period.

(3) The member has enrolled as a full-time student in an approved program of education at an approved institution of higher learning.

(4) The member is not receiving a Reserve Officer Training Corps (ROTC) Scholarship, excluding a Guaranteed Reserve Forces Duty Scholarship.

(c) Discharge for disability incurred in the line of duty.--A [Pennsylvania National Guard] member who is discharged for medical disability after September 11, 2001, shall remain eligible to receive [a public service educational] an educational assistance grant under this subchapter if the member meets all of the following eligibility criteria:

* * *

(4) The former member received an [honorable] other than dishonorable discharge for medical reasons.

(5) The former member [had] accepted an obligation to serve in the Pennsylvania National Guard [for a minimum period of service established by the Adjutant General] and was qualified to [have fulfilled such] fulfill the service obligation but for the medical disability that resulted in discharge.

* * *

§ 3204. Grants.

(a) General rule.--From the funds appropriated for the purposes of this subchapter, grants shall be provided to eligible members for the purpose of pursuing approved programs of education. An educational assistance grant shall be treated as a benefit earned by an eligible member for honorable service to the country and this Commonwealth.

(b) Promissory notes.--[At] Upon the receipt of the grant,

1 an eligible member shall sign a promissory note obligating the
2 eligible member to repay the full amount of the grant[. The
3 promissory note shall be conditional upon noncompletion of] if
4 the eligible member fails to fulfill the service obligation
5 under section 3207(a) (relating to recoupment of grant
6 payments).

7 Section 2. Sections 3205(a), (b), (b.1) and (c) and 3206(a)
8 and (b)(2) and (3) of Title 51 are amended and the sections are
9 amended by adding subsections to read:

10 § 3205. Amount of grants.

11 (a) Full-time [student assistance] educational assistance
12 grants.--Grants awarded under this subchapter to full-time
13 students shall be determined by the agency without regard to
14 financial need and shall not exceed for each academic year the
15 lesser of:

16 (1) the tuition rate of the approved institution of
17 higher learning for the number of credit hours per semester
18 or its equivalent for the approved program of education in
19 which the eligible member is enrolled; or

20 (2) the annual tuition rate charged [to a resident of
21 this Commonwealth at a member institution of the] by a State
22 System of Higher Education institution for the [same]
23 academic year.

24 (b) Part-time student assistance grants.--[Grants awarded
25 under this subchapter to part-time students who do not possess a
26 baccalaureate degree shall be determined by the agency without
27 regard to financial need and shall not exceed for each academic
28 year or period the lesser of:

29 (1) the tuition for the part-time course of study in
30 which the member is enrolled; or

31 (2) two-thirds of the tuition charged to a resident of
32 the Commonwealth at a member institution of the State System
33 of Higher Education for the same academic year or period.]

34 Grants awarded under this subchapter to part-time students who
35 may or may not possess a baccalaureate degree shall be
36 determined by the agency without regard to financial need and
37 shall not exceed for each academic year or period the lesser of:

38 (1) the tuition charged by the approved institution of
39 higher learning for the number of credit hours per semester
40 or its equivalent in which the eligible member is enrolled;
41 or

42 (2) the annual tuition rate charged by a State System of
43 Higher Education institution for the number of credit hours
44 per semester or its equivalent in which the eligible member
45 is enrolled for the same academic year or period.

46 [(b.1) Part-time student assistance grants for students
47 possessing baccalaureate degrees.--Grants awarded under this
48 subchapter to part-time students who possess a baccalaureate
49 degree shall be determined by the agency without regard to
50 financial need and shall not exceed for each academic year or
51 period the lesser of:

1 (1) one-half of the tuition for the part-time course of
2 study in which the member is enrolled; or

3 (2) one-third of the tuition charged to a resident of
4 this Commonwealth at a member institution of the State System
5 of Higher Education for the same academic year or period.]

6 (c) Other grants and financial aid.--

7 (1) The agency shall not reduce the amount of other
8 agency grants or aid for which the eligible member qualifies
9 on account of the eligible member's eligibility for or
10 receipt of grants under this subchapter.

11 (2) Prior to making a grant under this [chapter]
12 subchapter, the approved institution of higher learning shall
13 first consider any Federal tuition assistance received by the
14 eligible member and then shall award a grant under this
15 [chapter] subchapter if the eligible member requires
16 additional financial aid to cover the costs of attendance for
17 an approved program of higher education. A grant under this
18 [chapter] subchapter shall be paid or refunded to the
19 eligible member for approved costs of attendance. Grants
20 authorized under this [section] subchapter shall be reduced
21 so that the total of all Federal and State military education
22 benefits, as administered by the Pennsylvania National Guard,
23 do not exceed 100% of the costs of attendance.

24 * * *

25 (e) Limit on charges.--Eligible members attending a State
26 System of Higher Education institution shall not be charged
27 additional tuition above the annual tuition rate.

28 § 3206. Limitations.

29 (a) Time.--

30 (1) Except as otherwise provided in paragraph (2), no
31 eligible member shall be eligible for full-time or part-time
32 [student] educational assistance grants or a combination
33 thereof under this subchapter for a total of more than five
34 academic years or their equivalent as determined by the
35 agency.

36 (2) [For any member who served on active duty in a
37 combat zone, eligibility for such grants shall be extended
38 for a period of one year or for one additional month for each
39 month or part of month of such service, whichever is longer.]
40 An eligible member who withdraws from a program of education
41 due to being ordered to serve on active duty for more than 30
42 consecutive days, including active duty for training, shall
43 be granted an additional period of eligibility equal to the
44 lost semester or its equivalent, whichever is longer.

45 (3) When an eligible member withdraws from a program of
46 education as provided for under paragraph (2), the eligible
47 member shall be granted an educational leave of absence as
48 provided for under section 7313 (relating to educational
49 leave of absence).

50 (b) Active duty.--

51 * * *

1 (2) For eligible members who were called or ordered to
2 active Federal service or active State duty under section 508
3 (relating to active State duty for emergency) after September
4 11, 2001, the deadline for making grant payments shall be
5 extended for one additional month for each month or part of
6 month of such service after the eligible member is discharged
7 or released under [honorable] other than dishonorable
8 conditions from the Pennsylvania National Guard.

9 (3) For eligible members discharged because of a
10 disability incurred in the line of duty who are eligible
11 under section 3202(c) (relating to eligibility), the deadline
12 for making grant payments shall be:

13 (i) Six years after the eligible member's medical
14 discharge for members discharged for a medical disability
15 on or after the effective date of this paragraph unless
16 extended under section 3202 (c) (6).

17 (ii) Six years following the effective date of this
18 paragraph for eligible members discharged for a medical
19 disability after September 11, 2001, and before the
20 effective date of this paragraph unless extended under
21 section 3202 (c) (6).

22 (c) Limit on tuition.--At no time may a State System of
23 Higher Education institution charge an eligible member more than
24 the in-State rate.

25 Section 3. Sections 3207, 3208, 3209 and 3210 of Title 51
26 are amended to read:

27 § 3207. Recoupment of grant payments.

28 (a) General rule.--An eligible member who fails to meet the
29 [requirements of this subchapter as a result of participation in
30 this program] six-year service obligation of this subchapter or
31 to meet other requirements established by the Adjutant General
32 or the agency is liable to the Commonwealth for repayment of all
33 or part of any grant payments made. The Adjutant General shall
34 notify the agency if an eligible member fails to complete the
35 service obligation, and the promissory note under section
36 3204(b) (relating to grants) shall be [payment in full] repaid
37 by the eligible member upon demand by the agency on a schedule
38 as the agency may determine.

39 (b) Forgiveness of recoupment.--The Adjutant General [may
40 advise] shall notify the agency [to] and the agency shall
41 forgive recoupment of all or part of an eligible member's grant
42 payments if the Adjutant General determines that the eligible
43 member's failure to fulfill the six-year service obligation was
44 the result of [the eligible member's death, discharge because of
45 disability incurred in line of duty, discharge because of a
46 medical determination that the eligible member is medically
47 unfit for duty when the medical condition is outside the
48 eligible member's control and is not due to his misconduct or
49 discharge or release because of other compelling circumstances
50 outside the eligible member's control.] one of the following:

51 (1) Death.

1 (2) Discharge because of disability incurred in line of
2 duty.

3 (3) Discharge because of a medical determination that
4 the eligible member is medically unfit for duty when the
5 medical condition is outside the eligible member's control
6 and is not due to the eligible member's misconduct.

7 (4) The existence of other compelling circumstances that
8 warrant forgiveness.

9 § 3208. [Regulations.

10 The Adjutant General and the agency may promulgate
11 regulations to carry out the provisions of this chapter.]

12 (Reserved).

13 § 3209. Administration.

14 (a) Appropriation and administrative costs.--The General
15 Assembly shall appropriate funds to pay full-time and part-time
16 [student] educational assistance grants under this [chapter]
17 subchapter. A portion of the funds appropriated may be used to
18 pay the costs of the administration of [this chapter.] this
19 subchapter and Subchapter B (relating to Medical Officer or
20 Health Officer Incentive Program).

21 (b) Limitation.--Administrative costs for the fiscal year
22 beginning July 1, 2014, and each fiscal year thereafter, shall
23 not exceed 3.5% of the total amount of funds appropriated.

24 § 3210. Educational Assistance Program Fund.

25 [All moneys appropriated for the purposes of this chapter
26 and all investment income earned on those moneys shall be
27 deposited in the Educational Assistance Program Fund, which is
28 hereby established as a special nonlapsing fund in the State
29 Treasury. All moneys placed in the fund and the investment
30 income it accrues are hereby appropriated on a continuing basis
31 to the Department of Military and Veterans Affairs and shall be
32 used solely for the purposes of the program.]

33 (a) Establishment.--The Educational Assistance Program Fund
34 is established as a special nonlapsing fund in the State
35 Treasury.

36 (b) Appropriation.--All money deposited into the fund and
37 the interest the fund accrues are appropriated to the department
38 on a continuing basis to be used for the purposes provided for
39 under this subchapter and Subchapter B (relating to Medical
40 Officer or Health Officer Incentive Program).

41 (c) Administrative action prohibited.--No administrative
42 action shall prevent the deposit of money into the fund in the
43 fiscal year in which the money is received.

44 (d) Use.--The fund may only be used for the purposes
45 provided for under this subchapter and no money in the fund may
46 be transferred or diverted to any other purpose by
47 administrative action.

48 Section 4. Chapter 32 of Title 51 is amended by adding a
49 subchapter to read:

50 SUBCHAPTER A.1

51 MILITARY FAMILY EDUCATION PROGRAM

1 Sec.
2 3210.1. Definitions.
3 3210.2. Eligibility.
4 3210.3. Certification of eligibility.
5 3210.4. Military Family Education Program grants.
6 3210.5. Amount of Military Family Education Program grants.
7 3210.6. Limitations.
8 3210.7. Recoupment of Military Family Education Program grant
9 payments.
10 3210.8. Regulations.
11 3210.9. Administration.
12 3210.10. Military Family Education Program Fund.
13 \$ 3210.1. Definitions.

14 The following words and phrases when used in this subchapter
15 shall have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Agency." The Pennsylvania Higher Education Assistance
18 Agency.

19 "Annual tuition rate." The in-State tuition rate, including
20 a technology tuition fee, established or approved by May 1 of
21 each year by the Board of Governors of the State System of
22 Higher Education.

23 "Approved institution of higher learning." An educational
24 institution offering a postsecondary program of education
25 located in this Commonwealth and approved by the agency.

26 "Approved program of education." A degree-granting or
27 certificate-granting curriculum, course of study or training
28 required for entrance into a specific career to be pursued on a
29 full-time or part-time basis or its equivalent as determined by
30 the agency, at an approved institution of higher learning.

31 "Benefit." The Military Family Education Program grant which
32 shall be given to an eligible member's assigned family member
33 who has complied with all of the requirements provided for under
34 this subchapter.

35 "Certificate of eligibility." A certificate from the
36 department that certifies a family member's eligibility for a
37 Military Family Education Program grant.

38 "Costs of attendance." Allowable educational expenses, as
39 determined by the agency, that are consistent with the
40 administration of the act of January 25, 1966 (1965 P.L.1546,
41 No.541), referred to as the Higher Education Scholarship Law.

42 "Eligible member." A member of the Pennsylvania National
43 Guard who has completed an initial service obligation in the
44 Pennsylvania National Guard and is eligible to reenlist in the
45 Pennsylvania National Guard for a period of six years or, if a
46 commissioned officer, is eligible to serve in the Pennsylvania
47 National Guard for an additional six years.

48 "Family member." A dependent of an eligible member who is
49 enrolled in the United States Department of Defense's Defense
50 Enrollment Eligibility Reporting System or would be eligible to
51 enroll in the Defense Enrollment Eligibility Reporting System if

1 the eligible member had not been discharged from the
2 Pennsylvania National Guard.

3 "Full-time student." A family member enrolled in an approved
4 institution of higher learning pursuing an approved program of
5 education equal to or greater than 12 credit hours per semester
6 or its equivalent that is recognized by the agency as a full-
7 time course of study.

8 "Fund." The Military Family Education Program Fund
9 established under section 3210.10 (relating to Military Family
10 Education Program Fund).

11 "Part-time student." A family member enrolled in an approved
12 institution of higher education pursuing an approved program of
13 education of less than 12 credit hours per semester or its
14 equivalent that is recognized by the agency as a part-time
15 course of study.

16 "Promissory note." A written contract signed by a member of
17 the Pennsylvania National Guard in which the member promises to
18 repay the awarded Military Family Education Program grant
19 amount.

20 "Technology tuition fee." A separate tuition fee established
21 by the Board of Governors of the State System of Higher
22 Education for rendering technology resources and services to
23 enhance student learning experiences.

24 § 3210.2. Eligibility.

25 (a) General rule.--A family member is eligible to receive a
26 Military Family Education Program grant under this subchapter if
27 all of the following eligibility criteria are met:

28 (1) The eligible member from the Pennsylvania National
29 Guard has been a satisfactory participant in the Pennsylvania
30 National Guard activities for a minimum service period
31 established by the Adjutant General or a former eligible
32 member has received an other than dishonorable discharge.

33 (2) The eligible member accepted an obligation to serve
34 in the Pennsylvania National Guard for a period of six years
35 and has not accepted an obligation under Subch. A (relating
36 to Educational Assistance Program) for the same six-year
37 period.

38 (3) The eligible member has assigned the benefit to the
39 family member.

40 (4) The family member has enrolled as a student in an
41 approved program of education at an approved institution of
42 higher learning.

43 (5) If the family member is a spouse of an eligible
44 member or former eligible member, then the spouse shall
45 enroll in an approved program of education not more than six
46 years after the eligible member or former eligible member's
47 date of separation, medical discharge or death and the
48 obligation stated under paragraph (2) has been fulfilled. The
49 Adjutant General may for good cause extend the six-year
50 deadline in cases of extenuating circumstances.

51 (6) When an eligible member is ordered to serve on

1 active duty for more than 30 consecutive days, including
2 active duty for training, a family member who is the spouse
3 may withdraw from a program of education and shall be granted
4 an educational leave of absence as provided for under section
5 7313 (relating to educational leave of absence).

6 (b) Discharge for disability incurred in the line of duty.--

7 A family member of an eligible member who is discharged for
8 medical disability shall remain eligible to receive a Military
9 Family Education Program grant under this subchapter if the
10 former eligible member's medical disability meets the following
11 criteria:

12 (1) The medical disability was incurred in the line of
13 duty and was not the result of misconduct.

14 (2) The medical condition giving rise to the discharge
15 did not exist prior to the eligible member entering service
16 in the Pennsylvania National Guard.

17 (3) The medical disability was incurred while performing
18 authorized military duty other than basic training, advanced
19 individual training or other equivalent initial training.

20 (4) The former eligible member received an other than
21 dishonorable discharge for medical reasons.

22 (5) The former eligible member had accepted an
23 obligation to serve in the Pennsylvania National Guard and
24 was qualified to fulfill the service obligation but for the
25 medical disability that resulted in discharge.

26 (c) Death of an eligible member.--A family member of an
27 eligible member who died while serving the obligation required
28 in subsection (a)(2) shall remain eligible to receive a Military
29 Family Education Program grant under this subchapter if the
30 deceased eligible member met the following eligibility criteria
31 at the time of death:

32 (1) The deceased eligible member was eligible for an
33 other than dishonorable discharge.

34 (2) The deceased eligible member had accepted an
35 obligation to serve in the Pennsylvania National Guard and
36 was qualified to fulfill the service obligation but for the
37 eligible member's death.

38 (3) Upon an eligible member's death, if the eligible
39 member has not assigned the family member or family members
40 to receive the Military Family Education Program grant as
41 provided for under this subchapter, the surviving spouse or
42 the administrator or executor of the estate shall designate
43 the family member or family members to receive the Military
44 Family Education Program grant.

45 § 3210.3. Certification of eligibility.

46 The department shall provide the agency with a certificate of
47 eligibility for each eligible family member that applies for a
48 Military Family Education Grant.

49 § 3210.4. Military Family Education Program grants.

50 (a) General rule.--From the funds appropriated for the
51 purposes of this subchapter, Military Family Education Program

1 grants shall be provided to eligible family members for the
2 purpose of pursuing an approved program of education. A Military
3 Family Education Program grant shall be treated as a benefit
4 earned by an eligible member for honorable service to the
5 country and this Commonwealth.

6 (b) Promissory note.--Prior to entry into the Military
7 Family Education Program the eligible member shall sign a
8 promissory note obligating the eligible member to repay the full
9 amount of the family member's Military Family Education Program
10 grant if the eligible member fails to satisfactorily fulfill the
11 eligible member's obligation. The promissory note shall become
12 payable upon noncompletion of the service obligation under
13 section 3210.7(a) (relating to recoupment of Military Family
14 Education Program grant payments).

15 § 3210.5. Amount of Military Family Education Program grants.

16 (a) Full-time Military Family Education Program grant.--
17 Military Family Education Program grants awarded under this
18 subchapter to full-time students shall be determined by the
19 agency without regard to financial need and shall not exceed for
20 each academic year the lesser of:

21 (1) the tuition rate of the approved institution of
22 higher learning for the number of credit hours per semester
23 or its equivalent for the approved program of education in
24 which the family member is enrolled; or

25 (2) the annual tuition rate charged by a State System of
26 Higher Education institution for the academic year.

27 (b) Part-time Military Family Education Program grants.--
28 Military Family Education Program grants awarded under this
29 subchapter to part-time students who may or may not possess a
30 baccalaureate degree shall be determined by the agency without
31 regard to financial need and shall not exceed for each academic
32 year or period the lesser of:

33 (1) the tuition charged by the approved institution of
34 higher learning for the number of credit hours per semester
35 or its equivalent in which the family member is enrolled; or

36 (2) the annual tuition rate charged by a State System of
37 Higher Education institution for the number of credit hours
38 per semester or its equivalent in which the family member is
39 enrolled for the same academic year or period.

40 (c) Other grants and financial aid.--

41 (1) The agency shall not reduce the amount of other
42 agency grants or aid for which the family member qualifies on
43 account of the family member's eligibility for or receipt of
44 a Military Family Education Program grant under this
45 subchapter.

46 (2) Prior to making a Military Family Education Program
47 grant under this subchapter, the approved institution of
48 higher learning shall first consider any Federal tuition
49 assistance received by the family member and then shall award
50 a Military Family Education Program grant under this
51 subchapter if the family member requires additional financial

aid to cover the costs of attendance for an approved program of higher education. A Military Family Education Program grant under this subchapter shall be paid or refunded to the family member for approved costs of attendance. Military Family Education Program grants authorized under this section shall be reduced so that the total of all Federal and State military education benefits, as administered by the Pennsylvania National Guard, does not exceed 100% of the costs of attendance.

(d) Adjustments.--If the agency and the Adjutant General determine that the amount appropriated for the Military Family Education Program in any year will be insufficient to provide Military Family Education Program grants in the amounts set forth in this section to all family members, the agency and the department may reduce the maximum amount of the Military Family Education Program grants proportionately or set a limit on the number of participants to ensure that sums expended do not exceed appropriations.

(e) Limit on charges.--Family members attending a State System of Higher Education institution shall not be charged additional tuition above the annual tuition rate.

(f) Limit on tuition.--At no time may a State System of Higher Education institution charge a family member more than the in-State rate.

§ 3210.6. Limitations.

(a) General rule.--No eligible member shall be permitted to assign more than five academic years or their equivalent, as determined by the agency.

(b) Assignment of benefit.--An eligible member may assign a portion of the entire benefit or the entire benefit by the number of credit hours per semester or its equivalent, as determined by the agency, to one or more family members, as the case may be.

§ 3210.7. Recoupment of Military Family Education Program grant payments.

(a) General rule.--An eligible member who fails to meet the six-year service obligation of this subchapter or to meet other requirements established by the Adjutant General or the agency is liable to the Commonwealth for repayment of all or part of Military Family Education Program grant payments made. The Adjutant General shall notify the agency if an eligible member fails to complete the service obligation and the promissory note under section 3210.4(b) (relating to Military Family Education Program grants) shall be repaid by the eligible member upon demand of the agency on a schedule as the agency may determine.

(b) Forgiveness of recoupment.--Upon notification by the Adjutant General, the agency shall forgive recoupment of all or part of a family member's Military Family Education Program grant payments if the Adjutant General determines that the eligible member's failure to fulfill the six-year service obligation is the result of one of the following:

1 (1) The eligible member's death. If all provisions in
2 section 3210.2(c) (relating to eligibility) are not met, the
3 Military Family Education Program grant shall be repaid by
4 the family member or family members who used the benefit upon
5 demand of the agency on a schedule as the agency may
6 determine.

7 (2) The eligible member's discharge because of
8 disability incurred in the line of duty.

9 (3) The eligible member's discharge because of a medical
10 determination that the eligible member is medically unfit for
11 duty when the medical condition is outside the eligible
12 member's control and is not due to the eligible member's
13 misconduct.

14 (4) The existence of other compelling circumstances that
15 warrant forgiveness.

16 § 3210.8. (Reserved).

17 § 3210.9. Administration.

18 (a) Appropriation and administrative costs.--The General
19 Assembly shall appropriate funds to pay full-time and part-time
20 Military Family Education Program grants under this subchapter.
21 A portion of the funds appropriated may be used to pay the costs
22 of the administration of this subchapter.

23 (b) Limitation.--Administrative costs for the fiscal year in
24 which the Military Family Education Program is enacted, and each
25 fiscal year thereafter, shall not exceed 3.5% of the total
26 amount of funds appropriated.

27 (c) Initial use of funds.--Initial funding for the first 12-
28 month period from the effective date of this subchapter may be
29 used for administration and development of technological support
30 applications.

31 § 3210.10. Military Family Education Program Fund.

32 (a) Establishment.--The Military Family Education Program
33 Fund is established as a special nonlapsing fund in the State
34 Treasury.

35 (b) Appropriation.--All money deposited into the fund and
36 the interest the fund accrues are appropriated to the department
37 on a continuing basis to be used for the purposes provided for
38 under this subchapter.

39 (c) Administrative action prohibited.--No administrative
40 action shall prevent the deposit of money into the fund in the
41 fiscal year in which the money is received.

42 (d) Use.--The fund may only be used for the purposes
43 provided for under this subchapter and no money in the fund may
44 be transferred or diverted to any other purpose by
45 administrative action.

46 Section 5. This act shall take effect as follows:

47 (1) The addition of 51 Pa.C.S. § 3210.2(a)(1) and (2)
48 shall take effect July 1, 2019.

49 (2) The addition of 51 Pa.C.S. § 3210.2(a)(3), (4) and
50 (5) shall take effect August 1, 2020.

51 (3) The remainder of this act shall take effect

1 immediately.