

**RULES
OF
THE TENNESSEE STUDENT ASSISTANCE CORPORATION**

**CHAPTER 1640-01-24
TENNESSEE STEP UP SCHOLARSHIP**

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1640-01-24-.01 INTRODUCTION.

- (1) These rules implement the Tennessee STEP UP Scholarship, Title 49, Chapter 4, Part 9 as amended by 2013 Tennessee Public Acts, Chapter 483 (the Act). The Act provides scholarships to students with documented intellectual disabilities to attend eligible postsecondary institutions.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.02 DEFINITIONS.

- (1) Eligible Postsecondary Institution: A postsecondary institution located in Tennessee that offers an eligible postsecondary program.
- (2) Eligible Postsecondary Program: The term is defined in T.C.A. § 49-4-943.
- (3) FAFSA: Free Application for Federal Student Aid.
- (4) TSAC: Tennessee Student Assistance Corporation.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014.

1640-01-24-.03 SCHOLARSHIP AWARD AMOUNT.

- (1) Subject to the amounts appropriated by the General Assembly and any law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the amount of a Tennessee STEP UP Scholarship shall be the same as the amount of a Tennessee HOPE Scholarship awarded under T.C.A. § 49-4-914.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-914, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.04 APPLICATION PROCESS.

- (1) Students must apply for the Tennessee STEP UP Scholarship by submitting the Tennessee STEP UP Scholarship application to TSAC during each year of enrollment in the eligible postsecondary program.

(Rule 1640-01-24-.04, continued)

- (2) STEP UP Scholarship and FAFSA application deadlines shall be determined by the TSAC Executive Director and published on TSAC's website. If the deadline for the applications occurs on a weekend or holiday, then the deadline will be the next business day. It is the responsibility of the student to submit the application in a timely manner to ensure it is received by the published deadlines.
- (3) The TSAC Executive Director is authorized to modify published application deadlines for well-documented extraordinary cause if necessary to protect the public interest.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.05 ELIGIBILITY.

- (1) To be eligible for a Tennessee STEP UP Scholarship a student shall meet the requirements of T.C.A. § 49-4-943(b).
- (2) To continue to be eligible for a Tennessee STEP UP Scholarship, a student shall meet the requirements of T.C.A. § 49-4-943(c).
- (3) In determining a student's enrollment at an eligible postsecondary institution after completion of high school, the sixteen (16) month time limit will begin after the student has completed high school and may be calculated from the end of a transition program if the student remains in high school after graduation.

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.06 TERMINATION OF AWARD.

- (1) A student may receive the Tennessee STEP UP Scholarship until a terminating event as described in T.C.A. § 49-4-943(d) occurs.

Authority: T.C.A. §§ 49-4-201 and 49-4-204. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.07 REDUCTION OF AWARD.

- (1) If the sum of all financial aid, including a Tennessee STEP UP Scholarship, for which a student qualifies exceeds the institutionally defined total cost of education at the eligible postsecondary institution the scholarship recipient is attending, then the student's Tennessee STEP UP Scholarship shall be reduced so that the financial aid received by the student does not exceed the institutionally defined cost of education.

Authority: T.C.A. §§ 49-4-201 and 49-4-204. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.08 CERTIFICATION.

- (1) Each eligible postsecondary institution shall be responsible for certifying to TSAC that the student has met all eligibility requirements. Upon receiving such certification, TSAC will disburse the funds to the eligible postsecondary institution in equal amounts between the fall,

(Rule 1640-01-24-.08, continued)

spring, or summer terms provided the student does not receive the award for more than two (2) terms in the same academic year

Authority: T.C.A. §§ 49-4-201 and 49-4-204. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.

1640-01-24-.09 LEAVE OF ABSENCE.

- (1) A student may be granted medical or personal leaves of absence from attendance at an eligible postsecondary institution and receive the Tennessee STEP UP Scholarship upon resumption of the student's attendance at an eligible postsecondary institution so long as all other applicable eligibility criteria are met. An eligible postsecondary institution may grant leaves of absence only for medical or personal reasons. Allowable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, or other extraordinary circumstances beyond the student's control where continued attendance by the student creates a substantial hardship. In the event an institution denies a student's request for a medical or personal leave of absence, the student may seek relief from the decision in accordance with these rules.
- (2) A student who receives an approved medical or personal leave of absence may resume receiving the scholarship as described in T.C.A § 49-4-943(d)(2).

Authority: T.C.A. §§ 49-4-201, 49-4-204, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014.

1640-01-24-.10 APPEALS PROCEDURE.

- (1) Each eligible postsecondary institution shall use its existing Institutional Review Panel (IRP) for purposes of reviewing and rendering decisions regarding appeals for the Tennessee STEP UP Scholarship. The IRP shall use the same procedures and timelines as those that currently exist for the review of Tennessee Education Lottery Scholarship (TELS) appeals as outlined in Tenn. Comp. R. & Regs. 1640-01-19.
- (2) TSAC shall use the existing TSAC Appeals Panel to consider appeals and render decisions for those students who appeal a decision made by the IRP and for appeals made directly to TSAC. The same guidelines shall exist for appeals of the Tennessee STEP UP Scholarship as those that are currently in place for TELS as outlined in Tenn. Comp. R & Regs. 1640-01-19. A decision of the TSAC Appeals Panel made on the merits of the appeal is the final administrative remedy available to the student.

Authority: T.C.A. §§ 49-4-201, 49-4-204, 49-4-924, and 49-4-943. **Administrative History:** Original rule filed December 27, 2013; effective May 31, 2014. Amendments filed November 22, 2024; effective February 20, 2025.