

REFERENCE TITLE: financial aid; private scholarships; requirements

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HB 2286

Introduced by

Representatives Aguilar: Abeytia, Austin, Contreras P, Crews, Garcia,
Gutierrez, Liguori, Sandoval, Simacek, Stahl Hamilton, Villegas; Senators
Fernandez, Ortiz, Sundareshan

AN ACT

AMENDING TITLE 15, CHAPTER 13, ARTICLE 6, ARIZONA REVISED STATUTES, BY
ADDING SECTION 15-1706; RELATING TO FINANCIAL AID.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 13, article 6, Arizona Revised
3 Statutes, is amended by adding section 15-1706, to read:

4 15-1706. Private scholarships; financial aid awards;
5 prohibitions; definitions

6 A. BEGINNING IN THE 2026-2027 SCHOOL YEAR AND NOTWITHSTANDING ANY
7 OTHER LAW, AN ELIGIBLE POSTSECONDARY INSTITUTION MAY NOT:

8 1. REDUCE A STUDENT'S GIFT AID BECAUSE THE STUDENT RECEIVES OR IS
9 DESIGNATED TO RECEIVE A PRIVATE SCHOLARSHIP AWARD, EXCEPT THAT THE
10 STUDENT'S GIFT AID MAY BE REDUCED BY UP TO THE AMOUNT BY WHICH THE GIFT
11 AID EXCEEDS THE STUDENT'S ACTUAL COST OF ATTENDANCE.

12 2. CONSIDER A STUDENT'S PRIVATE SCHOLARSHIP AWARDS WHEN DETERMINING
13 THE FINANCIAL AID AWARD, INCLUDING GIFT AID, FOR THAT STUDENT.

14 B. AN ELIGIBLE POSTSECONDARY INSTITUTION MAY CONSULT WITH STUDENTS
15 AND THE PROVIDERS OF PRIVATE SCHOLARSHIPS TO IDENTIFY INSTANCES WHEN
16 PRIVATE SCHOLARSHIPS AND GIFT AID ARE LIMITED TO SPECIFIC PURPOSES.

17 C. FOR THE PURPOSES OF THIS SECTION:

18 1. "COST OF ATTENDANCE" INCLUDES THE COST OF TUITION AND FEES,
19 BOOKS AND SUPPLIES, LIVING EXPENSES AND TRANSPORTATION EXPENSES AND ANY
20 OTHER COSTS USED TO CALCULATE A STUDENT'S FINANCIAL NEED FOR THE PURPOSES
21 OF STUDENT AID PROGRAMS UNDER TITLE IV OF THE HIGHER EDUCATION ACT OF 1965
22 (P.L. 89-329; 79 STAT. 1219; 20 UNITED STATES CODE SECTIONS 1070 THROUGH
23 1099d).

24 2. "ELIGIBLE POSTSECONDARY INSTITUTION" MEANS A UNIVERSITY UNDER
25 THE JURISDICTION OF THE ARIZONA BOARD OF REGENTS OR A COMMUNITY COLLEGE AS
26 DEFINED IN SECTION 15-1401.

27 3. "GIFT AID" MEANS ALL FINANCIAL AID THAT IS DESIGNATED FOR A
28 STUDENT'S POSTSECONDARY EDUCATIONAL EXPENSES AND THAT IS NOT A LOAN OR
29 WORK STUDY PROGRAM.

30 4. "PRIVATE SCHOLARSHIP AWARD":

31 (a) MEANS FINANCIAL ASSISTANCE THAT IS AWARDED TO STUDENTS BY A
32 PRIVATE COMPANY, PRIVATE FOUNDATION, NONPROFIT ORGANIZATION OR CHARITY.

33 (b) DOES NOT INCLUDE FINANCIAL ASSISTANCE THAT IS AWARDED BY A
34 UNIVERSITY FOUNDATION OR GOVERNMENT ENTITY.

35 5. "STUDENT" MEANS A PERSON WHO BOTH:

36 (a) QUALIFIES FOR IN-STATE STUDENT STATUS AS PRESCRIBED IN SECTION
37 15-1802.

38 (b) IS ENROLLED IN AN ASSOCIATE OR BACCALAUREATE DEGREE PROGRAM
39 OFFERED BY AN ELIGIBLE POSTSECONDARY INSTITUTION.

40 Sec. 2. Short title

41 This act may be cited as the "Arizona Ban on Scholarship
42 Displacement Act of 2025".