



House of Representatives

File No. 781

General Assembly

January Session, 2001

(Reprint of File No. 634)

Substitute House Bill No. 5254
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 18, 2001

AN ACT CONCERNING THE CONNECTICUT INDEPENDENT COLLEGE STUDENT GRANT PROGRAM.

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 10a-39 of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 In administering sections 10a-36 to 10a-42a, inclusive, the Board of
4 Governors of Higher Education shall annually request an
5 appropriation for this program to be derived by: (1) Calculating the
6 actual General Fund expenditures per full-time equivalent student at
7 The University of Connecticut and in the Connecticut State University
8 system, by taking the actual General Fund expenditures at The
9 University of Connecticut and for the Connecticut State University
10 system for the fiscal year two years prior to the grant year, as reported
11 for higher education in the annual report on the state budget prepared
12 by the Office of Fiscal Analysis, and dividing by the number of full-
13 time equivalent students enrolled at The University of Connecticut and
14 in the Connecticut State University system during said year as
15 determined by the Board of Governors of Higher Education; (2)

16 calculating the number of full-time equivalent undergraduate
17 Connecticut students enrolled at Connecticut independent colleges
18 and universities during the fall semester of said fiscal year; and (3)
19 multiplying the number of full-time equivalent undergraduate
20 Connecticut students at Connecticut independent colleges by (A)
21 twelve and three-tenths per cent of the actual General Fund
22 expenditures per full-time equivalent student at The University of
23 Connecticut and in the Connecticut State University system, as
24 calculated in subdivision (1) of this section for appropriations made for
25 the fiscal year ending June 30, 1988, [and by] (B) seventeen per cent of
26 the actual General Fund expenditures per full-time equivalent student
27 at The University of Connecticut and for the Connecticut State
28 University system, as calculated in subdivision (1) of this section for
29 appropriations made for the fiscal year ending June 30, 1989, and (C)
30 twenty-five per cent of the actual General Fund expenditures per full-
31 time equivalent student at The University of Connecticut and in the
32 Connecticut State University system, as calculated in subdivision (1) of
33 this section for appropriations made for the fiscal year ending June 30,
34 2004, and for each fiscal year thereafter.

35 Sec. 2. This act shall take effect July 1, 2001.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Potential Future Costs

Affected Agencies: Department of Higher Education

Municipal Impact: None

Explanation**State Impact:**

Passage of the bill as amended would result in potential future cost to the state. The Connecticut Independent College Student Grant Program (CICSG), which is administered by the state Department of Higher Education (DHE), provides grant assistance to Connecticut residents attending private institutions in the state that exhibit financial need. Through a statutory formula, the annual appropriation and the maximum annual grant per student are linked to actual expenditures per student at Connecticut's public four-year institutions. The program began in FY 1989 and had not been fully funded, as provided by the formula, until the current fiscal year. Funding for FY 2001 is \$18.8 million. This year approximately 4,800 students received awards that averaged about \$3900 per grant.

The bill as amended provides that the current CICSG formula be adjusted to reflect 25% of the actual General Fund expenditures per full-time equivalent student as opposed to 17%. Such an adjustment would increase the formula cap amount from \$19.3 million to \$28.3 million. To the extent that additional funding is appropriated in order

to meet the program's statutory formula, passage of the bill as amended would result in potential future cost to the state.

House Amendment "A" adjusts the CICSG formula in 2004, instead of 2003 as indicated in the original bill. There is no additional fiscal impact.

OLR AMENDED BILL ANALYSIS

sHB 5254 (as amended by House "A")*

AN ACT CONCERNING THE CONNECTICUT INDEPENDENT COLLEGE STUDENT GRANT PROGRAM.**SUMMARY:**

Starting in FY 2003-04, the bill requires the Board of Governors of Higher Education to increase its requested appropriation for the Connecticut Independent College Student (CICS) grant program from 17% to 25% of General Fund spending for each full-time equivalent University of Connecticut (UConn) and Connecticut State University (CSU) undergraduate. CICS funds grants of up to \$8,548 per year based on financial need to Connecticut undergraduate students attending independent colleges in Connecticut. Students apply for grants at college financial aid offices.

By law, the CICS appropriation request is calculated using the specified percentage of General Fund spending for each full-time-equivalent UConn and CSU undergraduate in the fiscal year two years before the request and multiplying it by the number of full-time-equivalent undergraduates from Connecticut enrolled at independent colleges during the fall semester of the same year.

*House Amendment "A" delays the start of the increase in the CICS appropriation for one year, from FY 2002-03 to FY 2003-04.

EFFECTIVE DATE: July 1, 2001

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference
Yea 29 Nay 0

Appropriations Committee

Joint Favorable Substitute
Yea 51 Nay 0