



House of Representatives

General Assembly

File No. 704

January Session, 2001

Substitute House Bill No. 5520

House of Representatives, May 9, 2001

The Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HIGHER EDUCATION SCHOLARSHIPS.

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

1 Section 1. (NEW) (a) The Board of Governors of Higher Education
2 shall provide, within available appropriations, scholarships to students
3 for full-time attendance at public and independent institutions of
4 higher education in this state and for part-time attendance at public
5 institutions of higher education in accordance with this section. In
6 order to be eligible for a scholarship, the student shall meet the
7 requirements specified in subsection (c) of this section and attend an
8 institution of higher education that has been authorized to award
9 academic degrees pursuant to section 10a-34 of the general statutes.
10 Eligible students shall apply for such scholarships at such time and on
11 such forms as the Commissioner of Higher Education prescribes.

12 (b) The amount of the scholarship for full-time attendance shall be
13 determined as follows: (1) If the family income of a student is less than
14 sixty per cent of the state median family income, the maximum

15 amount of the scholarship the student shall be eligible to receive shall
16 be equal to the lesser of (A) the amount of the tuition and fees at the
17 institution, or (B) the amount of the tuition and fees at The University
18 of Connecticut, (2) if the family income of the student is greater than
19 sixty per cent of the state median family income, the maximum
20 amount of the scholarship the student shall be eligible to receive shall
21 be calculated based on a sliding scale, developed by the Board of
22 Governors of Higher Education, that takes into account family size,
23 and (3) the amount determined pursuant to subdivision (1) or (2) of
24 this subsection shall be reduced by the total amount of any other
25 scholarship aid received by the student. The amount of the scholarship
26 for part-time attendance shall be equal to the tuition and fees of the
27 student minus the total amount of any other scholarship aid received
28 by the student.

29 (c) In order to be eligible for a scholarship pursuant to this section
30 the student shall: (1) Be a resident of this state, as described in sections
31 10a-28, 10a-29 and 10a-30 of the general statutes, (2) be a United States
32 citizen or a legal immigrant, and (3) for the first year of attendance at
33 an institution of higher education, have attained at least a 3.0 grade
34 point average on a scale of 1.0 to 4.0 in high school and for subsequent
35 years of attendance at an institution of higher education, have attained
36 at least a 3.0 grade point average on such a scale for the prior academic
37 year at the institution of higher education.

38 (d) For purposes of this section, "part-time attendance" means
39 taking at least twelve credit hours in a twenty-four-month period.

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

Statement of Legislative Commissioners:

The language in subdivision (2) of subsection (b) of section 1 was rewritten for clarity and to achieve the intent of the committee.

ED *Joint Favorable C/R*

APP

APP *Joint Favorable Subst.*

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: Significant Costs

Affected Agencies: Department of Higher Education

Municipal Impact: None

Explanation

The bill proposes to provide full scholarships to all Connecticut residents with grade point averages of 3.0, family incomes less than 60% of the state median family income (\$45,303), and who attend institutions of higher education in the state. According to the bill, those families earning up to \$100,000 are eligible for scholarships but to a lesser extent as determined by a sliding scale. Both full-time and part-time students would be eligible for these grants minus the total amount of any other scholarship aid received by a student.

The number of high school graduates in Connecticut is expected to increase dramatically over the next several years and consequently, passage of the bill would result in significant costs to the state. In the first year of the program, assuming that about half of the graduates with B averages attend state institutions, the cost would be approximately \$60 - 70 million. It is anticipated that students receiving funds under current state financial aid programs would qualify for this proposed scholarship program. Thus, some portion of the funding now used to provide scholarships could be transferred to

the proposed program. The state currently appropriates about \$46 million for financial aid.

This year there will be an estimated 35,000 high school graduates in the state. If the number of graduates continues to grow as anticipated and awareness of such a program increases, costs could be between \$100 - 120 million once four years of matriculating students are receiving scholarships.

OLR Bill Analysis

sHB 5520

AN ACT CONCERNING HIGHER EDUCATION SCHOLARSHIPS.**SUMMARY:**

This bill requires the Board of Governors of Higher Education (BOG) to provide, within available appropriations, merit scholarships for students to attend Connecticut colleges and universities. Full-time students may receive scholarships to public and private schools; part-time (at least 12 credit hours over a two-year period) students are eligible for scholarships only at public colleges and universities. The higher education commissioner decides when and how students apply for the scholarships.

EFFECTIVE DATE: July 1, 2001

AMOUNT OF SCHOLARSHIP***Full-Time Students***

The bill makes the maximum scholarship amount for a full-time student whose family income is less than 60% of the state median family income the lesser of (1) tuition and fees at the student's college or university or (2) tuition and fees at the University of Connecticut. The bill requires BOG to develop a sliding scale for families with more income, which must take into account family size. Scholarship amounts must be reduced by any other scholarship aid the student receives.

Part-Time Students

The bill makes the amount of a part-time student's scholarship equal to the amount of the student's tuition and fees less the sum of the student's other scholarship aid.

SCHOLARSHIP ELIGIBILITY

In order to be eligible for a scholarship, the bill requires a student to be a United States citizen or legal immigrant and a Connecticut resident, under the same standards as are currently used for determining in-state tuition eligibility. The bill also requires that students, for the first year of college, have attained at least a 3.0 grade point average (GPA) on a 1.0 to 4.0 scale in high school, and for the following years of college have achieved at least a 3.0 GPA for the prior academic year at the institution.

BACKGROUND

State Median Family Income

The Office of Policy and Management uses the most recent federal census and March Current Population Survey data to determine state median family income. For a family of four in Connecticut in 1999, the most recent year for which data is available, this figure was \$75,505. Sixty percent of that figure is \$45,303.

COMMITTEE ACTION

Education Committee

Joint Favorable Change of Reference

Yea 29 Nay 0

Appropriations Committee

Joint Favorable Substitute

Yea 49 Nay 3