



House of Representatives

File No. 827

General Assembly

January Session, 2001

(Reprint of File No. 715)

Substitute House Bill No. 6630
As Amended by House Amendment
Schedules "A", "B" and "C"

Approved by the Legislative Commissioner
May 25, 2001

AN ACT CONCERNING VARIOUS HIGHER EDUCATION ISSUES.

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

1 Section 1. Subdivision (2) of subsection (a) of section 10a-77a of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof:

4 (2) For each of the fiscal years ending June 30, 2000, to June 30,
5 [2009] 2014, inclusive, as part of the state contract with donors of
6 endowment fund eligible gifts, the Department of Higher Education, in
7 accordance with section 10a-8b, shall deposit in the endowment fund
8 for the Community-Technical College System a grant in an amount
9 equal to half of the total amount of endowment fund eligible gifts
10 received by or for the benefit of the community-technical college
11 system as a whole and each regional community-technical college for
12 the calendar year ending the December thirty-first preceding the
13 commencement of such fiscal year, as certified by the chairperson of
14 the board of trustees by February fifteenth to (A) the Secretary of the
15 Office of Policy and Management, (B) the joint standing committee of

16 the General Assembly having cognizance of matters relating to
17 appropriations and the budgets of state agencies, and (C) the
18 Commissioner of Higher Education, provided such sums do not
19 exceed the endowment fund state grant maximum commitment for the
20 fiscal year in which the grant is made. In any such fiscal year in which
21 the total of the eligible gifts received by the community-technical
22 colleges exceeds the endowment fund state grant maximum
23 commitment for such fiscal year the amount in excess of such
24 endowment fund state grant maximum commitment shall be carried
25 forward and be eligible for a matching state grant in any succeeding
26 fiscal year from the fiscal year ending June 30, 2000, to the fiscal year
27 ending June 30, [2009] 2014, inclusive, subject to the endowment fund
28 state grant maximum commitment. Any endowment fund eligible gifts
29 that are not included in the total amount of endowment fund eligible
30 gifts certified by the chairperson of the board of trustees pursuant to
31 this subdivision may be carried forward and be eligible for a matching
32 state grant in any succeeding fiscal year from the fiscal year ending
33 June 30, 2000, to the fiscal year ending [June 20, 2009] June 30, 2014,
34 inclusive, subject to the endowment fund state matching grant
35 commitment for such fiscal year.

36 Sec. 2. Subsection (b) of section 10a-77a of the general statutes is
37 repealed and the following is substituted in lieu thereof:

38 (b) For the purposes of this section: (1) "Endowment fund eligible
39 gift" means a gift to or for the benefit of a regional community-
40 technical college or the community-technical college system as a whole
41 of cash or assets which may be reduced to cash or which has a value
42 that is ascertainable by such regional community-technical college or
43 the community-technical college system as a whole which the donor
44 has specifically designated for deposit in the endowment fund or
45 which explicitly or implicitly by the terms of the gift the regional
46 community-technical college or community-technical college system as
47 a whole may and does deposit or permit to be deposited in the
48 endowment funds. (2) "Endowment fund state grant" means moneys
49 that are transferred by the Department of Higher Education from the

50 fund established pursuant to section 10a-8b to the endowment fund
51 established pursuant to this section in an aggregate amount not
52 exceeding the endowment fund state grant maximum commitment. (3)
53 "Endowment fund state grant maximum commitment" means an
54 amount not exceeding two million dollars for the fiscal year ending
55 June 30, 2000, two and one-half million dollars for the fiscal year
56 ending June 30, 2001, three million dollars for the fiscal year ending
57 June 30, 2002, three and one-half million dollars for the fiscal year
58 ending June 30, 2003, [four million dollars for the fiscal year ending
59 June 30, 2004, four and one-half million dollars for the fiscal year
60 ending June 30, 2005,] and five million dollars for each of the fiscal
61 years ending June 30, [2006, June 30, 2007, June 30, 2008, and June 30,
62 2009] 2004, to June 30, 2014, inclusive.

63 Sec. 3. Section 10a-77a of the general statutes is amended by adding
64 subsection (c) as follows:

65 (NEW) (c) Notwithstanding the endowment fund state grant
66 maximum commitment levels for each fiscal year pursuant to
67 subsection (b) of this section, as amended by this act, the total of the
68 endowment fund state grant maximum commitments for the fiscal
69 years ending June 30, 2000, to June 30, 2014, inclusive, shall not exceed
70 thirty-nine million five hundred thousand dollars.

71 Sec. 4. Notwithstanding the provisions of section 10a-149 of the
72 general statutes, upon authorization by the Board of Governors of
73 Higher Education, the Board of Trustees for the Connecticut State
74 University System may establish a five-year program to award
75 education doctoral degrees until program completion for students
76 entering from May 1, 2002, until January 30, 2007. The Board of
77 Governors shall evaluate the program.

78 Sec. 5. Section 10a-88 of the general statutes is repealed and the
79 following is substituted in lieu thereof:

80 There shall continue to be a Board of Trustees for the Connecticut
81 State University System to consist of eighteen members, fourteen to be

82 appointed by the Governor, who shall reflect the state's geographic,
83 racial and ethnic diversity; two of whom shall be state college or
84 Connecticut State University system alumni; and four students, one
85 from each state university elected by the students enrolled at such state
86 university. On or before July 1, 1983, the Governor shall appoint
87 members to the board as follows: Five members, one of whom shall be
88 a state college or Connecticut State University system alumnus, for a
89 term of two years from said date; five members, one of whom shall be
90 a state college or Connecticut State University system alumnus, for a
91 term of four years from said date, and four members for a term of six
92 years from said date. Thereafter the Governor shall appoint members
93 of said board to succeed those appointees whose terms expire, such
94 members to serve for terms of six years each from July first in the year
95 of their appointment, provided two of the members appointed for
96 terms commencing July 1, 1995, and their successors shall be state
97 college or Connecticut State University system alumni, one of the
98 members appointed for a term commencing July 1, 1997, and his or her
99 successors shall be such alumni and two of the members appointed for
100 terms commencing July 1, 1999, and their successors shall be such
101 alumni. On and after July 1, 1999, the board shall at all times include at
102 least one member from each county in which a state university is
103 located. (1) On or before November 1, 1975, the students enrolled at the
104 institutions under the jurisdiction of the board shall, in such manner as
105 the board determines, elect two members of the board, each of whom
106 shall be enrolled as a full-time student at an institution under the
107 jurisdiction of the board at the time of his or her election. One such
108 member shall be elected for a term of one year from November 1, 1975,
109 and one for a term of two years from said date. On or before
110 November 1, 1976, until July 1, 1997, such students shall, in such
111 manner as the board determines, elect one member of the board, who
112 shall be so enrolled at any such institution at the time of his or her
113 election and who shall serve for a term of two years from November
114 first in the year of his or her election, except that the term of the
115 member due to expire on October 31, 1998, shall expire on October 31,
116 1997. (2) On and after July 1, 1997, the student members of the board

117 shall be elected as follows: (A) (i) On or before November 1, 1997, the
118 students enrolled at Central Connecticut State University shall, in such
119 manner as the board determines, elect one member of the board who
120 shall be a full-time student at such state university at the time of his or
121 her election and who shall serve for a term of one year from said
122 November first, and (ii) on or before November 1, 1998, and biennially
123 thereafter, the students enrolled at Central Connecticut State
124 University shall, in such manner as the board determines, elect one
125 member of the board who shall be a full-time student at such state
126 university at the time of his or her election and who shall serve for a
127 term of two years from November first in the year of his or her
128 election; (B) (i) on or before November 1, 1997, the students enrolled at
129 Eastern Connecticut State University shall, in such manner as the
130 board determines, elect one member of the board who shall be a full-
131 time student at such state university at the time of his or her election
132 and who shall serve for a term of one year from said November first,
133 and (ii) on or before November 1, 1998, and biennially thereafter, the
134 students enrolled at Eastern Connecticut State University shall, in such
135 manner as the board determines, elect one member of the board who
136 shall be a full-time student at the time of his or her election and who
137 shall serve for a term of two years from the November first in the year
138 of his or her election; (C) on or before November 1, 1997, and
139 biennially thereafter, the students enrolled at Southern Connecticut
140 State University shall, in such manner as the board determines, elect
141 one member of the board who shall be a full-time student at such
142 university at the time of his or her election and who shall serve for a
143 term of two years from the November first in the year of his or her
144 election; and (D) on or before November 1, 1997, and biennially
145 thereafter, the students at Western Connecticut State University shall,
146 in such manner as the board determines, elect one member of the
147 board who shall be a full-time student at such state university at the
148 time of his or her election and who shall serve for a term of two years
149 from the November first in the year of his or her election. The term of
150 any student member of the board elected on or after November 1, 2001,
151 shall terminate if such student member ceases to be a matriculating

152 student in good standing, either as a full-time undergraduate student
153 or as a full-time or part-time graduate student, at the state university
154 from which such student member was elected. The Governor shall,
155 pursuant to section 4-9a, appoint the chairperson of the board. The
156 board shall, biennially, elect from its members such other officers as it
157 deems necessary. The Governor shall fill any vacancy in the appointed
158 membership of the board by appointment for the balance of the
159 unexpired term. Any vacancies in the elected membership of said
160 board shall be filled by special election for the balance of the unexpired
161 term. The members of said board shall receive no compensation for
162 their services as such but shall be reimbursed for their necessary
163 expenses in the course of their duties.

164 Sec. 6. Subdivision (2) of subsection (a) of section 10a-99a of the
165 general statutes is repealed and the following is substituted in lieu
166 thereof:

167 (2) For each of the fiscal years ending June 30, 2000, to June 30,
168 [2009] 2014, inclusive, as part of the state contract with donors of
169 endowment fund eligible gifts, the Department of Higher Education, in
170 accordance with section 10a-8b, shall deposit in the Endowment Fund
171 for the Connecticut State University system a grant in an amount equal
172 to half of the total amount of endowment fund eligible gifts received
173 by or for the benefit of the Connecticut State University system as a
174 whole and each state university for the calendar year ending the
175 December thirty-first preceding the commencement of such fiscal year,
176 as certified by the chairperson of the board of trustees by February
177 fifteenth to (A) the Secretary of the Office of Policy and Management,
178 (B) the joint standing committee of the General Assembly having
179 cognizance of matters relating to appropriations and the budgets of
180 state agencies, and (C) the Commissioner of Higher Education,
181 provided such sums do not exceed the endowment fund state grant
182 maximum commitment for the fiscal year in which the grant is made.
183 In any such fiscal year in which the total of the eligible gifts received
184 by the Connecticut State University system as a whole and each state
185 university exceed the endowment fund state grant maximum

186 commitment for such fiscal year the amount in excess of such
187 endowment fund state grant maximum commitment shall be carried
188 forward and be eligible for a matching state grant in any succeeding
189 fiscal year from the fiscal year ending June 30, 2000, to the fiscal year
190 ending June 30, [2009] 2014, inclusive, subject to the endowment fund
191 state grant maximum commitment. Any endowment fund eligible gifts
192 that are not included in the total amount of endowment fund eligible
193 gifts certified by the chairperson of the board of trustees pursuant to
194 this subdivision may be carried forward and be eligible for a matching
195 state grant in any succeeding fiscal year from the fiscal year ending
196 June 30, 2000, to the fiscal year ending June 30, [2009] 2014, inclusive,
197 subject to the endowment fund state matching grant maximum
198 commitment for such fiscal year.

199 Sec. 7. Subsection (b) of section 10a-99a of the general statutes is
200 repealed and the following is substituted in lieu thereof:

201 (b) For the purposes of this section: (1) "Endowment fund eligible
202 gift" means a gift to or for the benefit of any of the state universities of
203 the Connecticut State University system or the system as a whole of
204 cash or assets which may be reduced to cash or which has the value
205 that is ascertainable by the state universities or the system as a whole
206 and which the donor has specifically designated for deposit in the
207 endowment fund or which explicitly or implicitly by the terms of the
208 gift, the universities or the system as a whole may and does deposit or
209 permit to be deposited in the endowment funds. (2) "Endowment fund
210 state grant" means moneys transferred by the Department of Higher
211 Education from the fund established pursuant to section 10a-8b to the
212 endowment fund established pursuant to this section in an aggregate
213 amount not exceeding the endowment fund state grant maximum
214 commitment. (3) "Endowment fund state grant maximum
215 commitment" means an amount not exceeding two and one-half
216 millions dollars in the fiscal year ending June 30, 2000, five million
217 dollars for each of the fiscal years ending June 30, 2001, and June 30,
218 2002, [June 30, 2008, and June 30, 2009,] and seven million five
219 hundred thousand dollars for each of the fiscal years ending June 30,

220 2003, [June 30, 2004, June 30, 2005, June 30, 2006, and June 30, 2007] to
221 June 30, 2014, inclusive.

222 Sec. 8. Section 10a-99a of the general statutes is amended by adding
223 subsection (c) as follows:

224 (NEW) (c) Notwithstanding the endowment fund state grant
225 maximum commitment levels provided for each fiscal year pursuant to
226 subsection (b) of this section, as amended by this act, the total of the
227 endowment fund state grant maximum commitments for the fiscal
228 years ending June 30, 2000, to June 30, 2014, inclusive, shall not exceed
229 sixty million dollars.

230 Sec. 9. Notwithstanding sections 45a-526 to 45a-534, inclusive, of the
231 general statutes and section 10a-99a of the general statutes, as
232 amended by this act, any monetary gifts donated to the foundations of
233 Central Connecticut State University, Eastern Connecticut State
234 University, Southern Connecticut State University or Western
235 Connecticut State University by their respective alumni associations
236 from July 1, 1997, to September 30, 2001, inclusive, for deposit in the
237 endowment funds of such foundations shall be eligible for matching
238 funds pursuant to subdivision (2) of subsection (a) of section 10a-99a of
239 the general statutes, as amended by this act, provided any endowment
240 fund matching state grant so made shall not exceed the limits
241 established in subdivision (3) of subsection (b) of section 10a-99a of the
242 general statutes, as amended by this act.

243 Sec. 10. Section 10a-103 of the general statutes is repealed and the
244 following is substituted in lieu thereof:

245 There shall continue to be a Board of Trustees for The University of
246 Connecticut to consist of nineteen persons, twelve to be appointed by
247 the Governor, who shall reflect the state's geographic, racial and ethnic
248 diversity; two to be elected by the university alumni; two to be elected
249 by the students enrolled at the institutions under the jurisdiction of
250 said board; and three members ex officio. On or before July 1, 1983, the
251 Governor shall appoint members to the board as follows: Four

252 members for a term of two years from said date; four members for a
253 term of four years from said date; and four members for a term of six
254 years from said date. Thereafter the Governor shall appoint trustees of
255 said university to succeed those appointees whose terms expire, and
256 each trustee so appointed shall hold office for a period of six years
257 from the first day of July in the year of his or her appointment,
258 provided two of the trustees appointed for terms commencing July 1,
259 1995, and their successors shall be alumni of the university, one of the
260 trustees appointed for a term commencing July 1, 1997, and his or her
261 successors shall be such alumni and one of the members appointed for
262 a term commencing July 1, 1999, and his or her successors shall be such
263 alumni. The Commissioner of Agriculture and the Commissioner of
264 Education shall be, ex officio, members of the board of trustees. The
265 Governor shall be, ex officio, president of said board. The graduates of
266 all of the schools and colleges of said university shall, prior to
267 September first in the odd-numbered years, elect one trustee, who shall
268 be a graduate of the institution and who shall hold office for four years
269 from the first day of September succeeding his or her election. Not less
270 than two nor more than four nominations for each such election shall
271 be made by the alumni association of said university, provided no
272 person who has served as an alumni trustee for the two full
273 consecutive terms immediately prior to the term for which such
274 election is to be held shall be nominated for any such election. Such
275 election shall be conducted by mail prior to September first under the
276 supervision of a canvassing board consisting of three members, one
277 appointed by the board of trustees, one by the board of directors of the
278 alumni association of the university and one by the president of the
279 university. No ballot in such election shall be opened until the date by
280 which ballots must be returned to the canvassing board. In such
281 election all graduates shall be entitled to vote by signed ballots which
282 have been circulated to them by mail and which shall be returned by
283 mail. Vacancies occurring by death or resignation of either of such
284 alumni trustees shall be filled for the unexpired portion of the term by
285 special election, if such unexpired term is for more than eighteen
286 months. When the unexpired term is eighteen months or less, such

287 vacancy shall be filled by appointment by the board of directors of said
288 alumni association. On or before November 1, 1975, the students of
289 The University of Connecticut shall, in such manner as the board of
290 trustees of said university shall determine, elect two trustees, each of
291 whom shall be enrolled as a full-time student of said university at the
292 time of his or her election. One such member shall be elected for a term
293 of one year from November 1, 1975, and one for a term of two years
294 from said date. Prior to July first, annually, such students shall, in
295 accordance with this section and in such manner as the board shall
296 determine, elect one member of said board, who shall be so enrolled at
297 said university at the time of his or her election and who shall serve for
298 a term of two years from July first in the year of his or her election. The
299 student member elected to fill the term expiring on June 30, 2003, and
300 such elected member's successors shall be enrolled as full-time
301 undergraduate students at a school or college of the university and
302 shall be elected by the undergraduate students of the schools and
303 colleges of the university. The student member elected to fill the term
304 expiring on June 30, 2004, and such elected member's successors shall
305 be enrolled as a full-time student in the School of Law, the School of
306 Medicine, the School of Dentistry, the School of Social Work, or as a
307 graduate student of a school or college of the university, and shall be
308 elected by the students of the School of Law, the School of Medicine,
309 the School of Dentistry, the School of Social Work and the graduate
310 students of the schools and colleges of the university. Any vacancies in
311 the elected membership of said board shall, except as otherwise
312 provided in this section, be filled by special election for the balance of
313 the unexpired term.

314 Sec. 11. Subdivision (8) of section 10a-109c of the general statutes is
315 repealed and the following is substituted in lieu thereof:

316 (8) "Endowment fund state grant maximum commitment" means an
317 amount not exceeding ten million dollars for the fiscal year ending
318 June 30, 1999, seven million five hundred thousand dollars for each of
319 the fiscal years ending June 30, 2000, June 30, 2002, June 30, 2003, June
320 30, 2004, and June 30, 2005, [and] five million dollars for [each of] the

321 fiscal [years] year ending June 30, 2001, ten million dollars for the fiscal
322 years ending June 30, 2006, and June 30, 2007, and fifteen million
323 dollars for the fiscal years ending June 30, 2008, to June 30, 2014,
324 inclusive.

325 Sec. 12. Subdivision (2) of subsection (b) of section 10a-109i of the
326 general statutes is repealed and the following is substituted in lieu
327 thereof:

328 (2) For each of the fiscal years ending June 30, 1999, to June 30,
329 [2007] 2014, inclusive, as part of the state contract with donors of
330 endowment fund eligible gifts, the Department of Higher Education, in
331 accordance with section 10a-8b shall deposit in the endowment fund
332 for the university a grant in an amount equal to half of the total
333 amount of endowment fund eligible gifts, except as provided in this
334 subparagraph, received by the university or for the benefit of the
335 university for the calendar year ending the December thirty-first
336 preceding the commencement of such fiscal year, as certified by the
337 chairperson of the board of trustees by February fifteenth to (i) the
338 Secretary of the Office of Policy and Management, (ii) the joint
339 standing committee of the General Assembly having cognizance of
340 matters relating to appropriations and the budgets of state agencies,
341 and (iii) the Commissioner of Higher Education, provided such sums
342 do not exceed the endowment fund state grant maximum commitment
343 for the fiscal year in which the grant is made. For the fiscal years
344 ending June 30, 1999, and June 30, 2000, the Department of Higher
345 Education shall deposit in the endowment fund for the university
346 grants in total amounts which shall not exceed the endowment fund
347 state grant, as defined in subdivision (7) of section 10a-109c of the
348 general statutes, revision of 1958, revised to January 1, 1997, and which
349 shall be equal to the amounts certified by the chairperson of the board
350 of trustees for each such fiscal year of endowment fund eligible gifts
351 received by the university or for the benefit of the university and for
352 which written commitments were made prior to July 1, 1997. For the
353 fiscal year ending June 30, 1999, the funds required to be deposited in
354 the endowment fund pursuant to this subparagraph shall be

355 appropriated to the university for such purpose and not appropriated
356 to the fund established pursuant to section 10a-8b. In any such fiscal
357 year in which the eligible gifts received by the university exceed the
358 endowment fund state grant maximum commitment for such fiscal
359 year the amount in excess of such endowment fund state grant
360 maximum commitment for such fiscal year, shall be carried forward
361 and be eligible for a matching state grant in any succeeding fiscal year
362 from the fiscal year ending June 30, 1999, to the fiscal year ending June
363 30, [2007] 2014, inclusive, subject to the endowment fund state grant
364 maximum commitment for such fiscal year. Any endowment fund
365 eligible gifts that are not included in the total amount of endowment
366 fund eligible gifts certified by the chairperson of the board of trustees
367 pursuant to this subparagraph may be carried forward and be eligible
368 for a matching state grant in any succeeding fiscal year from the fiscal
369 year ending June 30, 2000, to the fiscal year ending June 30, [2007]
370 2014, inclusive, subject to the endowment fund state matching grant
371 maximum commitment for such fiscal year.

372 Sec. 13. Section 10a-143a of the general statutes is repealed and the
373 following is substituted in lieu thereof:

374 (a) (1) The Board for State Academic Awards shall establish a
375 permanent Endowment Fund for Charter Oak State College to
376 encourage donations from the private sector, with an incentive in the
377 form of an endowment fund state grant, the net earnings on the
378 principal of which are dedicated and made available to Charter Oak
379 State College for scholarships and programmatic enhancements. The
380 fund shall be administered by the Board for State Academic Awards or
381 by a nonprofit entity entrusted for such purpose and qualified as a
382 Section 501(c)(3) organization under the Internal Revenue Code of
383 1986, or any subsequent corresponding internal revenue code of the
384 United States, as from time to time amended, and preferably
385 constituted and controlled independent of the state and college so as to
386 qualify the interest on state bonds the proceeds of which have been
387 granted for deposit in the endowment fund as excludable from federal
388 taxation under such code and shall, in any event, be held in a trust

389 fund separate and apart from all other funds and accounts of the state
390 and the Board for State Academic Awards. There shall be deposited
391 into the fund: (A) Endowment Fund eligible gifts; (B) endowment fund
392 state grants; and (C) interest or other earnings from the investment of
393 moneys in the endowment fund pending transfer or use of earnings on
394 the principal of the fund for the purposes identified in this subdivision.

395 (2) For each of the fiscal years ending June 30, 2000, to June 30,
396 [2009] 2014, inclusive, as part of the state contract with donors of
397 endowment fund eligible gifts, the Department of Higher Education, in
398 accordance with section 10a-8b, shall deposit in the Endowment Fund
399 for Charter Oak State College a grant in an amount equal to half of the
400 total amount of endowment fund eligible gifts received by or for the
401 benefit of Charter Oak State College for the calendar year ending the
402 December thirty-first preceding the commencement of such fiscal year,
403 as certified by the chairperson of the Board for State Academic Awards
404 by February fifteenth to (A) the Secretary of the Office of Policy and
405 Management, (B) the joint standing committee of the General
406 Assembly having cognizance of matters relating to appropriations and
407 the budgets of state agencies, and (C) the Commissioner of Higher
408 Education, provided such sums do not exceed the endowment fund
409 state grant maximum commitment for the fiscal year in which the
410 grant is made. In any such fiscal year in which the total of the eligible
411 gifts received by Charter Oak State College exceeds the endowment
412 fund state grant maximum commitment for such fiscal year the
413 amount in excess of such endowment fund state grant maximum
414 commitment shall be carried forward and be eligible for a matching
415 state grant in any succeeding fiscal year from the fiscal year ending
416 June 30, 2000, to the fiscal year ending June 30, [2009] 2014, inclusive,
417 subject to the endowment fund state grant maximum commitment.
418 Any endowment fund eligible gifts that are not included in the total
419 amount of endowment fund eligible gifts certified by the chairperson
420 of the Board for State Academic Awards pursuant to this subdivision
421 may be carried forward and be eligible for a matching state grant in
422 any succeeding fiscal year from the fiscal year ending June 30, 2000, to

423 the fiscal year ending June 30, [2009] 2014, inclusive, subject to the
424 endowment fund state matching grant maximum commitment for
425 such fiscal year.

426 (3) The Board for State Academic Awards shall adopt, by October 1,
427 1997, guidelines with respect to (A) the solicitation of endowment fund
428 eligible gifts from private donors, and (B) governing the acceptance of
429 gifts made by a foundation established pursuant to sections 4-37e and
430 4-37f, to Charter Oak State College or its employees for reimbursement
431 of expenditures or payment of expenditures on behalf of Charter Oak
432 State College or its employees. Private donations shall not be
433 construed to include proceeds of municipal grants.

434 (b) For the purposes of this section: (1) "Endowment fund eligible
435 gift" means a gift to or for the benefit of Charter Oak State College of
436 cash or assets which may be reduced to cash or which has a value that
437 is ascertainable by such college which the donor has specifically
438 designated for deposit in the endowment fund or which explicitly or
439 implicitly by the terms of the gift Charter Oak State College may and
440 does deposit or permit to be deposited in the endowment funds. (2)
441 "Endowment fund state grant" means moneys that are transferred by
442 the Department of Higher Education from the fund established
443 pursuant to section 10a-8b to the endowment fund established
444 pursuant to this section in an aggregate amount not exceeding the
445 endowment fund state grant maximum commitment. (3) "Endowment
446 fund state grant maximum commitment" means an amount not
447 exceeding one hundred thousand dollars for each fiscal year from the
448 fiscal year ending June 30, 2000, to the fiscal year ending June 30,
449 [2009] 2014, inclusive.

450 (c) Notwithstanding the endowment fund state grant maximum
451 commitment level provided for each fiscal year pursuant to subsection
452 (b) of this section, the total of the endowment fund state grant
453 maximum commitments for the fiscal years ending June 30, 2000, to
454 June 30, 2014, inclusive, shall not exceed nine hundred thousand
455 dollars.

456 Sec. 14. Subdivision (2) of section 4-37e of the general statutes is
457 repealed and the following is substituted in lieu thereof:

458 (2) "Foundation" means an organization, fund or any other legal
459 entity which is (A) exempt from taxation pursuant to Section 501 (c)(3)
460 of the Internal Revenue Code of 1986, as amended, and (B) established
461 for the principal purpose of receiving or using private funds for
462 charitable, scientific, cultural, educational or related purposes that
463 support or improve a state agency. Such an organization, fund or other
464 legal entity shall not be deemed to be a state agency or a public agency,
465 as defined in section 1-200.

466 Sec. 15. Subdivision (8) of subsection (e) of section 2c-2b and section
467 10a-89d of the general statutes are repealed.

468 Sec. 16. This act shall take effect July 1, 2001, except that sections 9
469 and 14 shall take effect October 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: Various

Affected Agencies: Constituent Units of Higher Education

Municipal Impact: None

Explanation

State Impact:

The bill as amended extends the state’s higher education matching grant program from 2009 to 2014. The current program, which is intended to encourage fundraising in higher education, provides funding for a 50% match of endowment fund eligible gifts to the constituent units up to specified levels. The table below provides figures for matched funding amounts to date. Prior to FY 2000, only the University of Connecticut (UCONN) was eligible to receive funds under this program.

Fiscal Year	Total Matching Grant Amount
1997	\$8,446,000
1998	\$9,116,795
1999	\$6,778,823
2000	\$8,622,230

2001	\$6,392,822
2002	\$9,273,869

While the proposed bill specifically maintains the current limit for matches over the period of the program for both the community-technical colleges (CTC) and the state university system (CSU), it does not do so for UCONN. Thus, even with an extension to 2014, the maximum state grant is \$39.5 for CTC and \$60 million for CSU, which is the same under the current law. Passage of the bill would result in significant costs by allowing the maximum state grant for UCONN to increase by \$115 million, from \$52.5 million to \$167.5 million, over the balance of the program.

Section 4 of the bill provides that CSU establish a five-year pilot program to award education doctoral degrees. According to the agency, no additional funding will be necessary for this purpose since revenues from those entering the program are expected to cover all costs. It is not clear what would occur if the anticipated revenues, which are based on projected enrollment, fall short of the actual expenditures for the program. Program costs at Central CSU over the five-year period are estimated to be approximately \$2 million. DHE is required to evaluate the program at the end of the five years.

Section 13 of the bill also eliminates a requirement that CSU plan for capital improvements on a rotating schedule with annual requests of no more than \$60 million in bond authorizations. Passage would allow CSU to make requests that exceed \$60 million annually and while this does not imply that such requests will be granted, it may result in potential indeterminate costs.

Finally, the bill clarifies that any student member of the Boards of Governors for the constituent units of higher education must be a full-time matriculating student. This would result in no fiscal impact.

House Amendment "A" maintains the maximum amount of \$3.5 million in FY 2003 under current law and does not result in any fiscal impact. The original bill makes adjustments to the state's higher education matching grant program, including an increase in the maximum grant amount for the Regional Community Technical Colleges (CTC) for FY 2003 from \$3.5 million to \$5 million. It should be noted that while the program is extended by the bill to 2014, the total amount allowed under current law does not change for the CTCs.

In addition, the amendment extends the period for which alumni association donations to Connecticut State University are eligible for matching funds from June 30, 2001 to September 30, 2001. Because the FY 2001 maximum amount of \$5 million under the endowment program is not altered by this proposal, passage of the amendment would not result in any additional fiscal impact.

Finally, the amendment makes technical changes to the statutes regarding student membership on the Boards of Trustees for the constituent units of higher education.

House Amendment "B" extends the state's higher education matching grant program from 2009 to 2014 for Charter Oak State College (COSC). Passage of the amendment would allow COSC to receive matching funds from the state for a longer period while maintaining the maximum eligible amount (\$900,000). There is no additional fiscal impact.

House Amendment "C" makes a technical clarification and results in no additional fiscal impact.

OLR Amended Bill Analysis

sHB 6630 (as amended by House "A," "B," and "C")*

AN ACT CONCERNING VARIOUS HIGHER EDUCATION ISSUES.

SUMMARY:

This bill:

1. authorizes the Board of Governors of Higher Education (BOG) to allow Connecticut State University (CSU) to award education doctoral degrees for five years;
2. extends the state commitment to match contributions to the CSU, community-technical college (CTC), Charter Oak State College, and University of Connecticut (UConn) endowment funds through FY 2013-14;
3. increases the total state matching grant commitment for UConn endowment fund contributions by \$85 million;
4. increases annual matching grant limits in some years for the CSU, CTC, and UConn endowment funds;
5. allows certain past alumni donations to the individual endowments of CSU universities to be eligible for state matching grants;
6. changes the qualifications for future student members of the CSU and UConn boards of trustees;
7. eliminates a July 1, 2007 sunset date for the Board for State Academic Awards unless the General Assembly reauthorizes it;
8. eliminates a \$60 million limit on the CSU Board of Trustees' annual capital improvement bond authorization requests to the General Assembly; and
9. exempts state agency foundations from the Freedom of Information

Act (FOIA).

*House Amendment "A" changes the original bill by (1) eliminating an FY 2002-03 increase in the state matching grant commitment for donations to the CTC endowment fund from \$3.5 million to \$5 million; (2) allowing a CSU student trustee to continue in office while he is a part-time graduate student in good standing rather than requiring him to leave the board if he ceases to be a full-time student; (3) allowing CSU alumni donations made through September 30, 2001, rather than only through June 30, 2001, to qualify for state matching grants; (4) delaying by one year the start of a requirement that one UConn student trustee be an undergraduate student elected by undergraduates and one a graduate student elected by graduate students; and (5) making technical changes.

*House Amendment "B" extends matching grants for donations to Charter Oak College's endowment fund for an additional five years while maintaining the existing \$900,000 limit on the state's overall grant commitment.

*House Amendment "C" adds the FOIA exemption for state agency foundations and makes it effective October 1, 2001.

EFFECTIVE DATE: October 1, 2001 for the provision concerning matching grant eligibility for past CSU alumni donations and the FOIA exemption; July 1, 2001 for the remaining provisions.

CSU AWARD OF ED. D DEGREES

The bill allows the BOG to authorize the CSU board of trustees to establish a five-year program to award education doctoral (Ed. D) degrees. Under current law, only UConn can award doctoral degrees.

Under the bill, CSU's Ed. D program runs until students who enter between May 1, 2002 and January 30, 2007 finish. The BOG must evaluate the program.

ENDOWMENT FUND MATCHING GRANTS

CTC Endowment Fund

The bill allows eligible gifts to the CTC system endowment fund to qualify for 50% state matching grants for an additional five years, from FY 2008-09 through FY 2013-14. But it continues to cap the overall state commitment for the entire period at \$39.5 million, which is the same commitment that applies under current law.

The bill extends the \$5 million annual state grant limit that currently applies only for FY 2005-06 through FY 2008-09 to FYs 2003-04 and 2004-05, and FYs 2009-10 through 2013-14. Under current law, the maximum state matching grant commitment is \$4 million for FY 2003-04 and \$4.5 million for FY 2004-05.

CSU Endowment Fund

The bill allows eligible gifts to the CSU system endowment fund to qualify for 50% state matching grants for an additional five years, from FY 2008-09 through FY 2013-14. But it continues to limit the state's overall grant commitment to the current \$60 million.

The bill increases the limits on state CSU endowment fund matching grants from \$5 million to \$7.5 million per year for FY 2007-08 and FY 2008-09 and extends the \$7.5 million annual limit for an additional five years, from FY 2008-09 through FY 2013-14. Under current law, annual grant limits are scheduled to rise from \$5 million to \$7.5 million in FY 2003-04 and remain at that level for five years before dropping back to \$5 million for FY 2007-08 and FY 2008-09.

The bill also makes alumni donations to the foundations of the individual CSU universities between July 1, 1997 and September 30, 2001 retroactively eligible for state matching grants up to the limits specified in the law and the bill.

UConn Endowment Fund

The bill increases the overall state grant commitment for gifts to UConn's endowment fund by \$85 million, from \$82.5 million to \$167.5 million. It does so by (1) extending the 50% state match for such gifts for an additional seven years, from FY 2006-07 through FY 2013-14, (2) increasing annual grant limits for FY 2005-06 and FY 2006-07 from \$5 million to \$10 million, and (3) establishing annual limits of \$15 million per year for FY 2007-08 through FY 2013-14.

Under current law, the \$5 million limit for FY 2000-01 is scheduled to increase to \$7.5 million per year for four years, through FY 2004-05, and then to drop back to \$5 million for FY 2005-06 and FY 2006-07.

Charter Oak College Endowment Fund

The bill allows eligible donations to the Board for State Academic Award's endowment fund for Charter Oak State College to qualify for 50% state matching grants for an additional five years, from FY 2008-09 through FY 2013-14. It continues to limit the state's total matching grant commitment for Charter Oak to \$900,000.

UCONN AND CSU STUDENT TRUSTEES

The bill requires any student member of the CSU Board of Trustees elected on or after November 1, 2001 to leave the board if he ceases to be a matriculating, full-time undergraduate or full or part-time graduate student in good standing at the state university from which he was elected.

The bill requires one of the student members of the UConn Board of Trustees to be a full-time undergraduate and one a full-time graduate student. It requires the student elected to fill the term ending June 30, 2003 and his successors to be full-time UConn undergraduates elected by all UConn undergraduates. It requires the student elected to fill the term ending June 30, 2004 and his successors to be UConn graduate, law, medical, social work, or dental students elected by all of UConn's graduate, law, medical, social work, and dental students.

FOIA EXEMPTION

Current law specifies that a state agency foundation is not a "state agency" as defined in a section of the FOIA. But the section cited contains no definition of "state agency." Rather, the section uses the term "public agency," which this bill incorporates. By stating that a foundation is not a "public agency" as defined in the FOIA, the bill exempts foundations from the act.

BACKGROUND

Legislative History

On May 15 and May 17, the House referred the original bill (File 715) to the Finance, Revenue and Bonding and Government Administration and Elections committees, respectively. Those committees reported the bill unchanged on May 16 and May 22, respectively.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference

Yea 31 Nay 0

Appropriations Committee

Joint Favorable Substitute

Yea 49 Nay 2

Finance, Revenue and Bonding Committee

Joint Favorable Report

Yea 42 Nay 4

Government Administration and Elections Committee

Joint Favorable Report

Yea 13 Nay 0