



Senate

General Assembly

File No. 197

January Session, 2003

Substitute Senate Bill No. 1080

Senate, April 7, 2003

The Committee on Higher Education and Employment Advancement reported through SEN. HARTLEY of the 15th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING STUDENT FINANCIAL AID.

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

- 1 Section 1. (NEW) (*Effective July 1, 2003*) Within available
2 appropriations, the Commissioner of Higher Education shall develop a
3 design and implementation plan for the establishment of a state-wide
4 student financial aid database. Such database shall include data
5 elements deemed necessary by the commissioner to (1) determine the
6 adequacy of and need for state student financial assistance, and (2)
7 assess the effect of tuition and fee increases on access to and
8 affordability of different public institutions of higher education.

This act shall take effect as follows:

Section 1	<i>July 1, 2003</i>
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HED 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:

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Higher Ed., Dept.	GF - See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Department of Higher Education (DHE) to develop a statewide student financial aid database. While the bill specifies that the database be designed and implemented "within available appropriations," it is unlikely that the department would be able to meet this mandate without additional resources.¹ The cost associated with a researcher position at DHE is approximately \$45,000 plus an additional \$8,550 for FY 04 fringe benefit costs.

The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The total fringe benefit reimbursement rate as a percentage of payroll is 40.21%, effective July 1, 2002. However, first year fringe benefit costs for new positions do not include pension costs lowering the rate to 18.81% in FY 03. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System.

¹ The Governor's budget recommendation for the department is \$450,814 and 3 positions below FY 03 expenditures.

OLR Bill Analysis

sSB 1080

AN ACT CONCERNING STUDENT FINANCIAL AID

SUMMARY:

This bill requires the higher education commissioner to develop a design and implementation plan for a statewide student financial aid database, within available appropriations. The database must include elements she deems necessary to (1) determine the need for, and adequacy of, student financial aid and (2) assess the effect of tuition and fee increases on access to, and affordability of, different public higher education institutions.

EFFECTIVE DATE: July 1, 2003

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 13 Nay 7