



General Assembly

January Session, 2015

**Governor's Bill No. 6845**

LCO No. 3997



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:

REP. SHARKEY, 88<sup>th</sup> Dist.

REP. ARESIMOWICZ, 30<sup>th</sup> Dist.

SEN. LOONEY, 11<sup>th</sup> Dist.

SEN. DUFF, 25<sup>th</sup> Dist.

**AN ACT IMPLEMENTING THE BUDGET RECOMMENDATIONS OF  
THE GOVERNOR CONCERNING HIGHER EDUCATION.**

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

1 Section 1. (*Effective July 1, 2015*) Notwithstanding the provisions of  
2 section 10a-173 of the general statutes, for the fiscal year ending June  
3 30, 2016, the sum of one hundred fifty thousand dollars, and for the  
4 fiscal year ending June 30, 2017, the sum of three hundred thousand  
5 dollars, of the funds appropriated to the Office of Higher Education for  
6 the Governor's Scholarship program shall be provided to New Haven  
7 Promise for a student financial aid program. New Haven Promise shall  
8 provide, within available funding, merit-based grants to a person,  
9 other than a nonimmigrant alien as described in 8 USC 1101(a)(15),  
10 who is enrolled as a full-time or part-time undergraduate student at a  
11 public institution of higher education, as defined in section 10a-173 of

12 the general statutes. New Haven Promise may use up to seven per cent  
13 of such funds annually for administrative costs.

14 Sec. 2. Subsection (a) of section 10a-22u of the general statutes is  
15 repealed and the following is substituted in lieu thereof (*Effective July*  
16 *1, 2015*):

17 (a) There shall be an account to be known as the private  
18 occupational school student protection account within the General  
19 Fund. Each private occupational school authorized in accordance with  
20 the provisions of sections 10a-22a to 10a-22o, inclusive, shall pay to the  
21 State Treasurer an amount equal to [~~one-half~~] four-tenths of one per  
22 cent of the tuition received by such school per calendar quarter  
23 exclusive of any refunds paid, except that correspondence and home  
24 study schools authorized in accordance with the provisions of sections  
25 10a-22a to 10a-22o, inclusive, shall contribute to said account only for  
26 Connecticut residents enrolled in such schools. Payments shall be  
27 made by January thirtieth, April thirtieth, July thirtieth and October  
28 thirtieth in each year for tuition received during the three months next  
29 preceding the month of payment. In addition to amounts received  
30 based on tuition, the account shall also contain any amount required to  
31 be deposited into the account pursuant to sections 10a-22a to 10a-22o,  
32 inclusive. Said account shall be used for the purposes of section  
33 10a-22v. Any interest, income and dividends derived from the  
34 investment of the account shall be credited to the account. All direct  
35 expenses for the maintenance of the account may be charged to the  
36 account upon the order of the State Comptroller. The executive  
37 director may assess the account [(1)] for all direct expenses incurred in  
38 the implementation of the purposes of this section which are in excess  
39 of the normal expenditures of the Office of Higher Education. [for  
40 accounting, auditing and clerical services, and (2) for the fiscal years  
41 ending June 30, 2000, and June 30, 2001, in an amount not to exceed  
42 one hundred seventy thousand dollars in each of such fiscal years for  
43 personnel and administrative expenses for the purposes of sections  
44 10a-22a to 10a-22o, inclusive, provided such amount does not exceed

45 the annual interest accrual, which shall be transferred to the  
46 appropriation of the Office of Higher Education for personal services  
47 and other expenses for positions and responsibilities relating to said  
48 sections, provided the office has expended all federal funds that may  
49 be available for personnel and administrative expenses for the  
50 purposes of said sections. After disbursements are made pursuant to  
51 subdivisions (1) and (2) of this subsection, if the resources of the  
52 private occupational school student protection account exceed two  
53 million five hundred thousand dollars, no additional school  
54 assessments shall be made.]

55 Sec. 3. Section 10a-22w of the general statutes is repealed and the  
56 following is substituted in lieu thereof (*Effective July 1, 2015*):

57 On or before June thirtieth of each year the State Treasurer shall  
58 determine the balance of the account established pursuant to section  
59 10a-22u. [Following such determination by the State Treasurer, if the  
60 balance of the account is more than two million five hundred thousand  
61 dollars, schools which began payments to the account on or before  
62 October 1, 1987, shall cease further payments to the account until it  
63 falls below five per cent of such annual net tuition income at which  
64 time payment shall be resumed pursuant to section 10a-22u. Schools  
65 which begin payments to the account after October 1, 1987, shall  
66 continue to make payments to the account when the balance of the  
67 account is six per cent or more of such annual net tuition income for a  
68 period of time equal to the number of calendar quarters from October  
69 1, 1987, to the date on which the account first equaled said six per cent,  
70 provided such schools shall make payments to the account pursuant to  
71 said section 10a-22u when the account falls below five per cent of such  
72 annual net tuition income.]

73 Sec. 4. Section 10a-173 of the general statutes is repealed and the  
74 following is substituted in lieu thereof (*Effective July 1, 2015*):

75 (a) For the purposes of this section:

76 (1) "Family contribution" means the expected family contribution for  
77 educational costs as computed from the student's Free Application for  
78 Federal Student Aid;

79 (2) "Full-time or part-time undergraduate student" means a student  
80 who is enrolled at an institution of higher education in a course of  
81 study leading to such student's first associate or bachelor degree and  
82 who is carrying, for a full-time student, twelve or more semester credit  
83 hours, or, for a part-time student, between six and eleven semester  
84 credit hours at such institution of higher education;

85 (3) "Independent institution of higher education" means a nonprofit  
86 institution established in this state (A) that has degree-granting  
87 authority in this state; (B) that has its main campus located in this state;  
88 (C) that is not included in the Connecticut system of public higher  
89 education; and (D) whose primary function is not the preparation of  
90 students for religious vocation;

91 (4) "Public institution of higher education" means the constituent  
92 units of the state system of higher education identified in subdivisions  
93 (1) to (4), inclusive, of section 10a-1;

94 (5) "Eligible educational costs" means the tuition and required fees  
95 for an individual student that are published by each institution of  
96 higher education participating in the grant program established under  
97 this section, plus a fixed amount for required books and educational  
98 supplies as determined by the Office of Higher Education.

99 (b) The state, acting through the Office of Higher Education, shall  
100 establish the Governor's Scholarship program to annually make need-  
101 based financial aid available for eligible educational costs for  
102 Connecticut residents enrolled at Connecticut's public [and  
103 independent] institutions of higher education as full-time or part-time  
104 undergraduate students beginning with new or transfer students in the  
105 fiscal year ending June 30, 2014. Any award made to a student at a  
106 public or independent institution of higher education in the fiscal year

107 ending June 30, 2013, under the capitol scholarship grant program,  
108 established under section 10a-169 of the general statutes, revision of  
109 1958, revised to January 1, 2013, the Connecticut aid to public college  
110 students grant program, established under section 10a-164a of the  
111 general statutes, revision of 1958, revised to January 1, 2013,  
112 Connecticut aid to Charter Oak, established under subsection (c) of  
113 section 10a-164a of the general statutes, revision of 1958, revised to  
114 January 1, 2013, or the Connecticut independent college student grant  
115 program, established under section 10a-36 of the general statutes,  
116 revision of 1958, revised to January 1, 2013, shall be offered under the  
117 Governor's Scholarship program and be renewable for the life of the  
118 original award, provided such student meets and continues to meet  
119 the need and academic standards established for purposes of the  
120 program under which such student received the original award. Any  
121 award made to a student at an independent institution of higher  
122 education in the fiscal year ending June 30, 2015, under this section  
123 shall be renewable for the life of the original award, provided such  
124 student meets and continues to meet the need and academic standards  
125 established for purposes of the grant originally awarded under the  
126 Governor's Scholarship program.

127 (c) Within available appropriations, the Governor's Scholarship  
128 program shall be comprised of a need and merit-based grant, a need-  
129 based grant, a Charter Oak grant, and a performance incentive pool.  
130 The need and merit-based grant shall be funded at not less than twenty  
131 per cent of available appropriations. The need-based grant shall be  
132 funded at up to eighty per cent of available appropriations. The  
133 Charter Oak grant shall be not less than one hundred thousand dollars  
134 of available appropriations. The incentive pool shall be not less than  
135 two and one-half per cent of available appropriations. There shall be  
136 an administrative allowance based on one-quarter of one per cent of  
137 the available appropriations, but not less than one hundred thousand  
138 dollars. [Not less than thirty-eight per cent of the annual appropriation  
139 shall be allocated to the independent institutions of higher education

140 for the fiscal year ending June 30, 2014, and not less than thirty-six per  
141 cent of such appropriation shall be allocated to such institutions for the  
142 fiscal year ending June 30, 2015.]

143 (d) The Governor's Scholarship need and merit-based grant shall be  
144 available to any Connecticut resident who is a full-time or part-time  
145 undergraduate student at any public [or independent] institution of  
146 higher education beginning in the fiscal year ending June 30, 2014. The  
147 Office of Higher Education shall determine eligibility by financial need  
148 based on family contribution and eligibility by merit based on either  
149 previous high school academic achievement or performance on  
150 standardized academic aptitude tests. The Office of Higher Education  
151 shall make awards according to a sliding scale, annually determined  
152 by said office, up to a maximum family contribution and based on  
153 available appropriations and eligible students. The Governor's  
154 Scholarship need and merit-based grant shall be awarded in a higher  
155 amount than the need-based grant awarded pursuant to subsection (e)  
156 of this section. Recipients of the need and merit-based grant shall not  
157 be eligible to receive an additional need-based award. The accepting  
158 institution of higher education shall disburse sums awarded under  
159 such grant for payment of the student's eligible educational costs.

160 (e) The Governor's Scholarship need-based grant shall be available  
161 to any Connecticut resident who is a full-time or part-time  
162 undergraduate student at any public [or independent] institution of  
163 higher education beginning in the fiscal year ending June 30, 2014. The  
164 Office of Higher Education shall determine eligibility based on family  
165 contribution. The amount of the annual appropriation to be allocated  
166 to each institution of higher education shall be determined by its actual  
167 eligible enrollment based on family contribution during the fiscal year  
168 one year prior to the grant year. Participating institutions of higher  
169 education shall make awards according to a sliding scale, annually  
170 determined by the Office of Higher Education, up to a maximum  
171 family contribution and based on available appropriations and the  
172 number of eligible students. Each participating institution of higher

173 education shall expend all of the moneys received under the  
174 Governor's Scholarship program as direct financial assistance only for  
175 eligible educational costs based on the sliding scale determined by the  
176 Office of Higher Education and the maximum award amounts set by  
177 said office.

178 (f) Participating institutions of higher education shall annually  
179 provide the Office of Higher Education with data and reports on all  
180 Connecticut students who applied for financial aid, including, but not  
181 limited to, students receiving a Governor's Scholarship grant, in a form  
182 and at a time determined by said office. If an institution of higher  
183 education fails to submit information to the Office of Higher Education  
184 as directed, such institution shall be prohibited from participating in  
185 the scholarship program in the fiscal year following the fiscal year in  
186 which such institution failed to submit such information. Each  
187 participating institution of higher education shall maintain, for a  
188 period of not less than three years, records substantiating the reported  
189 number of Connecticut students and documentation utilized by the  
190 institution of higher education in determining eligibility of the student  
191 grant recipients. Such records shall be subject to audit. Funds not  
192 obligated by an institution of higher education shall be returned by  
193 February fifteenth in the fiscal year the grant was made to the Office of  
194 Higher Education for reallocation. Financial aid provided to  
195 Connecticut residents under this program shall be designated as a  
196 grant from the Governor's Scholarship program.

197 (g) The Governor's Scholarship Charter Oak grant shall be available  
198 to any full-time or part-time undergraduate student enrolled in  
199 Charter Oak State College beginning in the fiscal year ending June 30,  
200 2014. The Office of Higher Education shall allocate any appropriation  
201 to Charter Oak State College to be used to provide grants for eligible  
202 educational costs to residents of this state who demonstrate substantial  
203 financial need and who are matriculated in a degree program at  
204 Charter Oak State College. Individual awards shall not exceed a  
205 student's calculated eligible educational costs. Financial aid provided

206 to Connecticut residents under this program shall be designated as a  
207 grant from the Governor's Scholarship program.

208 (h) The Governor's Scholarship incentive pool shall be created to  
209 encourage retention and completion for any student who (1) receives  
210 the Governor's Scholarship need-based grant, (2) returns with  
211 sufficient credits to complete such student's associate degree in two  
212 years or bachelor degree in four years, and (3) exceeds the minimum  
213 satisfactory academic performance standards as determined by the  
214 Office of Higher Education. Such student shall be eligible beginning in  
215 the second year of such student's need-based grant. The pool shall be  
216 distributed to participating institutions of higher education based on  
217 eligibility as determined by the Office of Higher Education.

218 (i) In administering the Governor's Scholarship program, the Office  
219 of Higher Education shall develop and utilize fiscal procedures  
220 designed to ensure accountability of the public funds expended. Such  
221 procedures shall include provisions for compliance audits that shall be  
222 conducted by the Office of Higher Education on any institution of  
223 higher education that participates in the program. Commencing with  
224 the fiscal year ending June 30, 2015, and biennially thereafter, each  
225 such institution of higher education shall submit the results of an audit  
226 done by an independent certified public accountant for each year of  
227 participation in the program. Any institution of higher education  
228 determined by the Office of Higher Education not to be in substantial  
229 compliance with the provisions of the Governor's Scholarship program  
230 shall be ineligible to receive funds under the program for the fiscal  
231 year following the fiscal year in which the institution of higher  
232 education was determined not to be in substantial compliance.  
233 Funding shall be restored when the Office of Higher Education  
234 determines that the institution of higher education has returned to  
235 substantial compliance.

236 Sec. 5. Subsection (c) of section 10-95f of the general statutes is  
237 repealed and the following is substituted in lieu thereof (*Effective July*

238 1, 2015):

239 (c) Whenever the term "vocational school" or "vocational schools" is  
240 used or referred to in the following sections of the general statutes, the  
241 term "technical high school" or "technical high schools" shall be  
242 substituted in lieu thereof: 4-29, 10-13, 10-55, 10-64, 10-97, 10-186, 10a-  
243 123, [10a-166,] 14-36, 20-90, 31-23, 31-24, 38a-682 and 48-9.

244 Sec. 6. Subsection (a) of section 10a-1d of the general statutes is  
245 repealed and the following is substituted in lieu thereof (*Effective July*  
246 *1, 2015*):

247 (a) There is established an Office of Higher Education. The Office of  
248 Higher Education shall administer the programs set forth in sections  
249 10-19g, 10-155d, 10a-10a, 10a-11, 10a-11a, 10a-17d, 10a-34 to 10a-34f,  
250 inclusive, 10a-35, [10a-166,] 10a-168a, 10a-169a, 10a-169b and 10a-173.  
251 The Office of Higher Education shall be responsible for approving any  
252 action taken pursuant to sections 10a-34 to 10a-34f, inclusive.

253 Sec. 7. Subsection (a) of section 10a-1f of the general statutes is  
254 repealed and the following is substituted in lieu thereof (*Effective July*  
255 *1, 2015*):

256 (a) Wherever the term "Office of Financial and Academic Affairs for  
257 Higher Education" is used or referred to in the following sections of  
258 the general statutes, the term "Office of Higher Education" shall be  
259 substituted in lieu thereof: 10-155d, 10a-1d, as amended by this act,  
260 10a-10a, 10a-11, 10a-11a, 10a-22d, [10a-22r, 10a-22s,] 10a-22u, as  
261 amended by this act, 10a-34, 10a-34a, 10a-34c, 10a-34d, 10a-34e, 10a-  
262 34f, 10a-35, 10a-48a, 10a-104 and 10a-168a.

263 Sec. 8. Subsection (a) of section 10a-55i of the general statutes is  
264 repealed and the following is substituted in lieu thereof (*Effective July*  
265 *1, 2015*):

266 (a) There is established a Higher Education Consolidation

267 Committee which shall be convened by the chairpersons of the joint  
268 standing committee of the General Assembly having cognizance of  
269 matters relating to higher education or such chairpersons' designee,  
270 who shall be a member of such joint standing committee. The  
271 membership of the Higher Education Consolidation Committee shall  
272 consist of the higher education subcommittee on appropriations and  
273 the chairpersons, vice chairpersons and ranking members of the joint  
274 standing committees of the General Assembly having cognizance of  
275 matters relating to higher education and appropriations. The Higher  
276 Education Consolidation Committee shall establish a meeting and  
277 public hearing schedule for purposes of receiving updates from (1) the  
278 Board of Regents for Higher Education on the progress of the  
279 consolidation of the state system of higher education pursuant to this  
280 section, section 4-9c, subsection (g) of section 5-160, section 5-199d,  
281 subsection (a) of section 7-323k, subsection (a) of section 7-608,  
282 subsection (a) of section 10-9, section 10-155d, subdivision (14) of  
283 section 10-183b, sections 10a-1a to 10a-1d, inclusive, as amended by  
284 this act, 10a-3 and 10a-3a, subsection (a) of section 10a-6a, sections 10a-  
285 6b, 10a-8, 10a-10a to 10a-11a, inclusive, 10a-17d and 10a-22a,  
286 subsections (f) and (h) of section 10a-22b, subsections (c) and (d) of  
287 section 10a-22d, sections 10a-22h and 10a-22k, subsection (a) of section  
288 10a-22n, sections [10a-22r, 10a-22s,] 10a-22u, as amended by this act,  
289 10a-22v, 10a-22x and 10a-34 to 10a-35a, inclusive, subsection (a) of  
290 section 10a-48a, sections 10a-71 and 10a-72, subsections (c) and (f) of  
291 section 10a-77, section 10a-88, subsection (a) of section 10a-89,  
292 subsection (c) of section 10a-99 and sections 10a-102, 10a-104, 10a-105,  
293 10a-109e, 10a-143 and 10a-168a, and (2) the Board of Regents for  
294 Higher Education and The University of Connecticut on the program  
295 approval process for the constituent units. The Higher Education  
296 Consolidation Committee shall convene its first meeting on or before  
297 September 15, 2011, and meet not less than once every two months.

298 Sec. 9. Sections 10a-19g, 10a-19h, 10a-19j, 10a-22q to 10a-22t,  
299 inclusive, and 10a-166 of the general statutes are repealed. (*Effective*

300 July 1, 2015)

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2015	New section
Sec. 2	July 1, 2015	10a-22u(a)
Sec. 3	July 1, 2015	10a-22w
Sec. 4	July 1, 2015	10a-173
Sec. 5	July 1, 2015	10-95f(c)
Sec. 6	July 1, 2015	10a-1d(a)
Sec. 7	July 1, 2015	10a-1f(a)
Sec. 8	July 1, 2015	10a-55i(a)
Sec. 9	July 1, 2015	Repealer section

**Statement of Purpose:**

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*