



General Assembly

February Session, 2016

Raised Bill No. 5332

LCO No. 1522



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING THE GOVERNOR'S SCHOLARSHIP
PROGRAM.***

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

1 Section 1. Section 10a-173 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2016*):

3 (a) For the purposes of this section:

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

7 (2) "Full-time or part-time undergraduate student" means a student
8 who is enrolled at an institution of higher education in a course of
9 study leading to such student's first associate or bachelor degree and
10 who is carrying, for a full-time student, twelve or more semester credit
11 hours, or, for a part-time student, between [six] three and eleven
12 semester credit hours at such institution of higher education;

13 (3) "Independent institution of higher education" means a nonprofit
14 institution established in this state (A) that has degree-granting
15 authority in this state; (B) that has its main campus located in this state;
16 (C) that is not included in the Connecticut system of public higher
17 education; and (D) whose primary function is not the preparation of
18 students for religious vocation;

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

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

27 (b) The state, acting through the Office of Higher Education, shall
28 establish the Governor's Scholarship program to annually make need-
29 based financial aid available for eligible educational costs for
30 Connecticut residents enrolled at Connecticut's public and
31 independent institutions of higher education as full-time or part-time
32 undergraduate students beginning with new or transfer students in the
33 fiscal year ending June 30, 2014. Any award made to a student in the
34 fiscal year ending June 30, 2013, under the capitol scholarship grant
35 program, established under section 10a-169 of the general statutes,
36 revision of 1958, revised to January 1, 2013, the Connecticut aid to
37 public college students grant program, established under section 10a-
38 164a of the general statutes, revision of 1958, revised to January 1, 2013,
39 Connecticut aid to Charter Oak, established under subsection (c) of
40 section 10a-164a of the general statutes, revision of 1958, revised to
41 January 1, 2013, or the Connecticut independent college student grant
42 program, established under section 10a-36 of the general statutes,
43 revision of 1958, revised to January 1, 2013, shall be offered under the
44 Governor's Scholarship program and be renewable for the life of the

45 original award, provided such student meets and continues to meet
46 the need and academic standards established for purposes of the
47 program under which such student received the original award.

48 (c) [~~Within available appropriations, the~~] The Governor's
49 Scholarship program shall [~~be comprised of a need and merit-based~~
50 ~~grant,] include a need-based grant [,] and a Charter Oak grant. [, and a~~
51 performance incentive pool. The need and merit-based grant shall be
52 funded at not less than twenty per cent of available appropriations.
53 The need-based grant shall be funded at up to eighty per cent of
54 available appropriations.] The Charter Oak grant shall be not less than
55 one hundred thousand dollars of [~~available appropriations. The~~
56 incentive pool shall be not less than two and one-half per cent of
57 available appropriations] the annual appropriation. There shall be an
58 administrative allowance based on one-quarter of one per cent of the
59 [~~available appropriations] annual appropriation, but not less than one~~
60 hundred thousand dollars. [~~Not less than thirty-eight per cent of the~~
61 annual appropriation shall be allocated to the independent institutions
62 of higher education for the fiscal year ending June 30, 2014, and not
63 less than thirty-six per cent of such appropriation shall be allocated to
64 such institutions for the fiscal year ending June 30, 2015.]

65 [(d) The Governor's Scholarship need and merit-based grant shall be
66 available to any Connecticut resident who is a full-time or part-time
67 undergraduate student at any public or independent institution of
68 higher education beginning in the fiscal year ending June 30, 2014. The
69 Office of Higher Education shall determine eligibility by financial need
70 based on family contribution and eligibility by merit based on either
71 previous high school academic achievement or performance on
72 standardized academic aptitude tests. The Office of Higher Education
73 shall make awards according to a sliding scale, annually determined
74 by said office, up to a maximum family contribution and based on
75 available appropriations and eligible students. The Governor's
76 Scholarship need and merit-based grant shall be awarded in a higher
77 amount than the need-based grant awarded pursuant to subsection (e)

78 of this section. Recipients of the need and merit-based grant shall not
79 be eligible to receive an additional need-based award. The accepting
80 institution of higher education shall disburse sums awarded under
81 such grant for payment of the student's eligible educational costs.]

82 [(e)] (d) The Governor's Scholarship need-based grant shall be
83 available to any Connecticut resident who is a full-time or part-time
84 undergraduate student at any public or independent institution of
85 higher education. [beginning in the fiscal year ending June 30, 2014.
86 The Office of Higher Education shall determine eligibility based on
87 family contribution.] The amount of the annual appropriation to be
88 allocated to each institution of higher education shall be determined by
89 its actual [eligible enrollment based on family contribution] full-time
90 equivalent enrollment of undergraduate students who are Connecticut
91 residents with a family contribution of an amount not greater than
92 eleven thousand dollars during the fall semester of the fiscal year [one
93 year] two years prior to the grant year. Not later than July first,
94 annually, each institution of higher education shall report such
95 enrollment data to the Office of Higher Education. Not later than
96 October first, annually, the Office of Higher Education shall (1) publish
97 such enrollment data on its Internet web site, and (2) notify each
98 institution of higher education of the proportion of the annual
99 appropriation that such institution of higher education will receive the
100 following fiscal year and publish the proportions for each institution of
101 higher education on its Internet web site. Participating institutions of
102 higher education shall make awards [according to a sliding scale,
103 annually determined by the Office of Higher Education, up to a
104 maximum family contribution and based on available appropriations
105 and the number of eligible students] (A) to eligible full-time students
106 in an amount up to four thousand five hundred dollars, and (B) to
107 eligible part-time students in an amount that is prorated according to
108 the number of credits each student will earn for completing the course
109 or courses in which such student is enrolled, such that a student
110 enrolled in a course or courses earning six credits is eligible for up to

111 fifty per cent of the maximum grant of four thousand five hundred
112 dollars awarded to full-time students. Each participating institution of
113 higher education shall expend all of the moneys received under the
114 Governor's Scholarship program as direct financial assistance only for
115 eligible educational costs. [based on the sliding scale determined by
116 the Office of Higher Education and the maximum award amounts set
117 by said office.]

118 [(f)] (e) Participating institutions of higher education shall annually
119 provide the Office of Higher Education with data and reports on all
120 Connecticut students who applied for financial aid, including, but not
121 limited to, students receiving a Governor's Scholarship grant, in a form
122 and at a time determined by said office. If an institution of higher
123 education fails to submit information to the Office of Higher Education
124 as directed, such institution shall be prohibited from participating in
125 the scholarship program in the fiscal year following the fiscal year in
126 which such institution failed to submit such information. Each
127 participating institution of higher education shall maintain, for a
128 period of not less than three years, records substantiating the reported
129 number of Connecticut students and documentation utilized by the
130 institution of higher education in determining eligibility of the student
131 grant recipients. Such records shall be subject to audit. Funds not
132 obligated by an institution of higher education shall be returned by
133 [February fifteenth] May first in the fiscal year the grant was made to
134 the Office of Higher Education for reallocation. Financial aid provided
135 to Connecticut residents under this program shall be designated as a
136 grant from the Governor's Scholarship program.

137 [(g)] (f) The Governor's Scholarship Charter Oak grant shall be
138 available to any full-time or part-time undergraduate student enrolled
139 in Charter Oak State College beginning in the fiscal year ending June
140 30, 2014. The Office of Higher Education shall allocate any
141 appropriation to Charter Oak State College to be used to provide
142 grants for eligible educational costs to residents of this state who
143 demonstrate substantial financial need and who are matriculated in a

144 degree program at Charter Oak State College. Individual awards shall
145 not exceed a student's calculated eligible educational costs. Financial
146 aid provided to Connecticut residents under this program shall be
147 designated as a grant from the Governor's Scholarship program.

148 [(h) The Governor's Scholarship incentive pool shall be created to
149 encourage retention and completion for any student who (1) receives
150 the Governor's Scholarship need-based grant, (2) returns with
151 sufficient credits to complete such student's associate degree in two
152 years or bachelor degree in four years, and (3) exceeds the minimum
153 satisfactory academic performance standards as determined by the
154 Office of Higher Education. Such student shall be eligible beginning in
155 the second year of such student's need-based grant. The pool shall be
156 distributed to participating institutions of higher education based on
157 eligibility as determined by the Office of Higher Education.]

158 [(i)] (g) In administering the Governor's Scholarship program, the
159 Office of Higher Education shall develop and utilize fiscal procedures
160 designed to ensure accountability of the public funds expended. Such
161 procedures shall include provisions for compliance audits that shall be
162 conducted by the Office of Higher Education on any institution of
163 higher education that participates in the program. Commencing with
164 the fiscal year ending June 30, 2015, and biennially thereafter, each
165 such institution of higher education shall submit the results of an audit
166 done by an independent certified public accountant for each year of
167 participation in the program. Any institution of higher education
168 determined by the Office of Higher Education not to be in substantial
169 compliance with the provisions of the Governor's Scholarship program
170 shall be ineligible to receive funds under the program for the fiscal
171 year following the fiscal year in which the institution of higher
172 education was determined not to be in substantial compliance.
173 Funding shall be restored when the Office of Higher Education
174 determines that the institution of higher education has returned to
175 substantial compliance.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	10a-173

Statement of Purpose:

To make changes to the Governor's Scholarship program.

[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.]