



# House of Representatives

General Assembly

**File No. 195**

February Session, 2018

Substitute House Bill No. 5373

*House of Representatives, April 4, 2018*

The Committee on Higher Education and Employment Advancement reported through REP. HADDAD of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ESTABLISHMENT OF EMERGENCY EXPENSE GRANT PROGRAMS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION.***

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

1 Section 1. (NEW) (*Effective July 1, 2018*) (a) A public institution of  
2 higher education may establish an emergency expense grant program  
3 to provide an emergency expense grant to a student who experiences  
4 an unexpected financial hardship that impedes such student's ability to  
5 complete his or her degree. Such financial hardship may include, but  
6 need not be limited to, expenses relating to childcare, medical care or  
7 transportation expenses.

8 (b) Any student who is enrolled at a public institution of higher  
9 education that has established an emergency expense grant program  
10 under this section may receive an emergency expense grant through an  
11 application submitted by such student to the institution or a  
12 nomination on behalf of such student by an employee of the

13 institution. An application or nomination for an emergency expense  
14 grant shall include (1) an explanation of the student's financial  
15 hardship, (2) documentation substantiating the student's emergency  
16 expenses, and (3) any other information the institution may require.

17 (c) Upon receipt of an application made by a student or a  
18 nomination on behalf of a student made by an employee pursuant to  
19 subsection (b) of this section, the public institution of higher education  
20 may award an emergency expense grant to a student upon  
21 determination that the financial hardship would impede the student's  
22 ability to complete his or her degree.

23 (d) For purposes of establishing an emergency expense grant  
24 program under this section, a public institution of higher education  
25 may (1) accept private donations, (2) allocate state and certain other  
26 institutional funds, as defined in section 10a-151f of the general  
27 statutes, or (3) apply to the Office of Higher Education for a state  
28 matching grant, in accordance with the provisions of section 2 of this  
29 act.

30 (e) A public institution of higher education may apply to the Office  
31 of Higher Education, in a manner prescribed by said office, for a state  
32 matching grant to support the institution's emergency expense grant  
33 program. In order to receive a state matching grant pursuant to section  
34 2 of this act, a public institution of higher education shall maintain a  
35 separate nonlapsing emergency expense grant program account. The  
36 institution shall deposit into such account (1) all private donations  
37 accepted by the institution for the purpose of the emergency expense  
38 grant program, (2) all state and certain other institutional funds  
39 allocated by the institution for the purpose of the emergency expense  
40 grant program, and (3) any state matching grant funds received  
41 pursuant to section 2 of this act.

42 Sec. 2. (NEW) (*Effective July 1, 2018*) (a) For purposes of an  
43 emergency expense grant program established pursuant to section 1 of  
44 this act, the Office of Higher Education shall, within available  
45 appropriations and upon receipt of an application, provide a state

46 matching grant to any public institution of higher education. In any  
 47 fiscal year, a state matching grant to a public institution of higher  
 48 education shall be in an amount equal to the total funds deposited in  
 49 such institution's emergency expense grant program account, as  
 50 described in section 1 of this act, minus any funds remaining in such  
 51 account from the prior fiscal year.

52 (b) In any fiscal year, the total amount of the state matching grants  
 53 provided by the Office of Higher Education under this section shall not  
 54 exceed five hundred thousand dollars. If, in any fiscal year, the total  
 55 amount sought in all state matching grant applications submitted by  
 56 the public institutions of higher education exceeds the amount  
 57 available to the Office of Higher Education for the purpose of the  
 58 emergency expense grant programs, all such matching grants shall be  
 59 reduced on a pro rata basis.

60 Sec. 3. (NEW) (*Effective July 1, 2018*) A public institution of higher  
 61 education that receives matching grants pursuant to section 2 of this  
 62 act shall, on or before July 1, 2019, and annually thereafter, submit a  
 63 report, in accordance with the provisions of section 11-4a of the general  
 64 statutes, to the Office of Higher Education and to the joint standing  
 65 committee of the General Assembly having cognizance of matters  
 66 relating to higher education with information regarding (1) the  
 67 number of emergency expense grant program applications received  
 68 and awarded, (2) the average and total dollar amounts of the  
 69 emergency expense grants requested and awarded, (3) the purposes  
 70 for which the emergency expense grants were requested, (4) the rates  
 71 of graduation of recipients of emergency expense grants and the  
 72 general student body, and (5) any other information as the Office of  
 73 Higher Education deems necessary.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	New section
Sec. 2	<i>July 1, 2018</i>	New section
Sec. 3	<i>July 1, 2018</i>	New section

**Statement of Legislative Commissioners:**

In Section 1, references to "emergency expense program" were replaced with "emergency expense grant program" for consistency. In Section 1, Subsecs. (d) and (e), references to "institutional funds" were replaced with "state and certain other institutional funds" for statutory consistency. In Section 1(d), the words "as defined in section 10a-151f of the general statutes" were added for clarity.

**HED**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Higher Ed., Off.	GF - Cost	Up to 177,777	Up to 177,777
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	9,637	9,637
Higher Education Constituent Units	Various - Potential Redistribution of Resources	Minimal	Minimal

Note: GF=General Fund; Various=Various

**Municipal Impact:** None

**Explanation**

The bill establishes a state matching grant program for constituent unit emergency assistance grants to students, which including administrative expenses within the Office of Higher Education (OHE), would cost up to \$187,414 in each of FY 19 and FY 20.

The bill limits the state matching grants to a total of \$150,000 per fiscal year. It is possible state matching grants will not reach the bill's limit. In FY 17 and FY 18 to date, University of Connecticut (UConn) and UConn Health Center's dental school student assistance funds spent an annual collective maximum of approximately \$60,000. Information on whether any state university and community college

<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 36.33% of payroll in FY 19 and FY 20.

funds exist was unavailable.

The bill would result in one additional part-time Senior Consultant position within OHE to administer the matching grant program. This part-time position results additional costs in each fiscal year of approximately \$37,414, including: salary costs of \$26,527, other expenses costs of \$1,250, and fringe benefit costs of \$9,637.

It is anticipated that the constituent units would deposit primarily donations into the student assistance funds, as with the existing UConn and UConn Health dental school funds. To the extent that a constituent unit chooses to dedicate its own revenues to the fund, there could be a potential redistribution of spending. Any potential redistribution of spending is expected to have limited scope, as the constituent unit FY 18 operating budgets range from approximately \$450 million (the community colleges) to \$1.2 billion (UConn Storrs and regionals).

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sHB 5373*****AN ACT CONCERNING THE ESTABLISHMENT OF EMERGENCY EXPENSE GRANT PROGRAMS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION.*****SUMMARY**

This bill allows public higher education institutions to establish an emergency expense grant program to award a grant to a student experiencing an unexpected financial hardship that hinders such student's ability to complete his or her degree. Financial hardships include, but are not limited to, expenses related to childcare, medical care, or transportation.

The bill requires the Office of Higher Education (OHE), within available appropriations, to provide matching grants to such institutions that apply for them. OHE may award up to \$500,000 during any fiscal year. The bill also establishes reporting requirements for institutions that receive matching grants.

EFFECTIVE DATE: July 1, 2018

**EMERGENCY EXPENSE GRANT PROGRAM*****Grant Application or Nomination***

Under the bill, a student enrolled at a public higher education institution that has established an emergency expense grant program is eligible to receive an award through application to the institution or nomination by an employee of the institution. The application or nomination must include (1) an explanation of the financial hardship, (2) documentation verifying emergency expenses, and (3) any other information the institution requires. The institution may award an emergency expense grant if it determines that the financial hardship would impede the student's ability to complete his or her degree.

**Funding Sources**

Under the bill, an institution establishing such a program may (1) accept private donations, (2) allocate state and certain other institutional funds, or (3) apply to OHE for a state matching grant.

The bill requires an institution to maintain a separate, non-lapsing grant program account to receive a state matching grant, and to deposit into this account (1) all private donations accepted for the program, (2) all state and certain other institutional funds allocated by the institution for the program, or (3) any state matching grant funds received.

A state matching grant must equal the total funds deposited in the institution’s program account, minus funds remaining in the account from the previous fiscal year. If the amount of state matching grants requested in any fiscal year exceeds the amount available to OHE for the program, the matching grants must be reduced proportionally.

**Reporting Requirements**

Under the bill, an institution receiving state matching grants must, beginning by July 1, 2019, annually report to OHE and the Higher Education and Employment Advancement Committee on (1) the number of emergency grant applications awarded and received, (2) the average and total dollar amounts of the grants awarded and requested, (3) the reasons grants were requested, (4) the graduation rates among grant recipients and the general student body, and (5) additional information as requested by OHE.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 11 Nay 9 (03/15/2018)