

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

SB-353

AN ACT CONCERNING THE CREATION OF THE CONNECTICUT
HOPE SCHOLARSHIP PROGRAM.

AMENDMENT

LCO No.: 4324

File Copy No.: 221

Senate Calendar No.: 146

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Higher Ed., Off.	GF - Potential Cost	None	None
Board of Regents for Higher Education	Tuition - Potential Revenue Gain	None	None
UConn	Tuition - Potential Revenue Gain	None	None
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The amendment moves the bill's potential costs to FY 21 and beyond, as it changes the effective date of the bill to July 1, 2020. The amendment eliminates the bill's potential costs in FY 19 and FY 20. The amendment also requires an Office of Higher Education (OHE) study of potential funding sources for the Connecticut Hope

¹The 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.

Scholarship, which results in no cost as OHE has sufficient expertise to complete the study.

To the extent the OHE study discovers non-General Fund sources of Hope Scholarship funding, and these methods are used to implement the scholarship, the potential OHE scholarship costs identified in the bill's fiscal note may be borne by sources other than the General Fund.

The Out Years

State Impact:

Agency Affected	Fund-Effect	FY 21 \$	FY 22 \$	FY 23 \$
Higher Ed., Off.	GF - Potential Cost	127.6 million to 133.6 million	145.4 million to 151.8 million	Significant
Board of Regents for Higher Education	Tuition - Potential Revenue Gain	Minimal	At least 7.4 million	Significant
UConn	Tuition - Potential Revenue Gain	None	See Below	See Below
State Comptroller - Fringe Benefits	GF - Potential Cost	19,274 to 85,839	19,274 to 97,559	See Below

Note: GF=General Fund

As described above, the amendment moves the fiscal impact of the underlying bill to FY 21 and beyond. The FY 23 potential costs associated with the scholarship and OHE administration are anticipated to increase beyond FY 22 for the reasons described in the underlying bill's fiscal note: (1) tuition and fee increases, (2) increased student participation, (3) increased rate of student eligibility, and (4) more student awareness of the scholarship.

Municipal Impact: None

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does 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.