
OLR Bill Analysis

sSB 273

AN ACT CONCERNING DEBT-FREE COLLEGE.

SUMMARY

This bill requires the Board of Regents for Higher Education (BOR) to establish before the start of the fall 2020 semester a debt-free community college program that annually awards certain recent high school graduates who enroll as first-time, full-time regional community-technical college students with (1) the unpaid portion of the published tuition and fees for two consecutive academic years (i.e., tuition and fee costs, minus scholarships, grants, or other institutional aid awarded to the student) or (2) a \$500 grant, whichever is greater. Awards under this program apply to the first sixty non-remedial credit hours earned by a student in the first 24 months of community college enrollment.

The bill establishes student eligibility requirements for the program along with program-related administrative duties and reporting requirements for BOR and the regional community-technical colleges.

Additionally, the bill designates January as “FAFSA month” and requires BOR to implement an annual program, by January 1, 2020, to host events for high school seniors and their families to provide assistance with completing their Free Application for Federal Student Aid (FAFSA) with the goal of increasing the number of applications submitted by Connecticut residents each year. (Prospective higher education students must submit their FAFSA forms to the U.S. Department of Education in order to be considered eligible for federal student financial aid.)

EFFECTIVE DATE: July 1, 2019

STUDENT ELIGIBILITY REQUIREMENTS

Under the bill, a student must meet various requirements to be eligible to receive an award under the debt-free community college program. These requirements relate to (1) enrollment timing and status, (2) in-state student classification, (3) academic progress during enrollment, and (4) financial need. Students must meet these eligibility requirements for the duration of their first 24 months of community college enrollment.

Enrollment Timing and Status

To be eligible for the program’s award under the bill, a student must have graduated from a public or private Connecticut high school within two years prior to first-time enrollment at a community college. Enrollment may commence in fall 2020 or any semester thereafter and must continue on a full-time basis, which the bill defines as carrying at least 30 credit hours over the course of an academic year, including summer sessions. The program does not apply to remedial support or college readiness programs.

In-state Student Classification

The bill requires students to be classified as in-state students. By law, with limited exceptions, eligibility for in-state student classification is based on an applicant’s domicile, which is his or her “true, fixed, and permanent home” and the place where he or she intends to remain and return to upon leaving (CGS §§ 10a-28 & 10a-29).

Academic Progress

Under the bill, qualifying students must maintain a minimum 2.5 grade point average each academic year and make satisfactory academic progress while enrolled. (Presumably, “satisfactory academic progress” refers to academic performance that allows the student to maintain enrollment in his or her degree program.)

Financial Need

The bill requires eligible students to complete the FAFSA and accept all available financial aid that is not in the form of a federal, state, or private student loan. Additionally, the bill extends eligibility to only

those students whose expected family contribution toward educational costs does not exceed \$7,500 as determined from FAFSA computations.

ADMINISTRATIVE PROGRAM REQUIREMENTS

The bill outlines the type of administrative audits the community colleges must perform to assist the BOR's process for allocating award funding to the institutions. Additionally, it establishes expenditure requirements for the colleges and imposes legislative reporting requirements on BOR.

Audits

Under the bill, community colleges must conduct a financial and academic audit before the start of the fall 2020 semester and each semester thereafter. These audits must determine the following:

1. number of qualifying students enrolled during the semester,
2. total number of credit hours each qualifying student earned while enrolled (COMMENT), and
3. award amount to be made to each eligible student.

The bill requires each community college to annually report to BOR each semester's audit results, and total awards made to qualifying students. Such reports must be submitted by September 1st and February 1st each year.

Allocations to Community Colleges

BOR allocates annual award amounts to the community colleges under the bill. Each college's annual allocation must equal the sum of all awards made to eligible students enrolled at the college for each semester during the prior fiscal year. If, in any given fiscal year, the award total is greater than the amount appropriated for the award program by the General Assembly, then BOR must prioritize its institutional allocations for students who have unmet need for tuition and fees over students whose eligibility is limited to the minimum \$500 grant. BOR may also prioritize allocations under these circumstances using criteria it has developed.

Allocation Expenditure and Non-supplant Requirements

The bill requires the community colleges to spend all award allocations on direct student financial assistance, specifically to cover tuition and fees. Additionally, it prohibits the colleges from using their award allocations to supplant any state or institutional aid that is otherwise available to eligible students.

Reporting Requirement

Under the bill, BOR must annually report to the Appropriations and Higher Education and Employment Advancement committees about the debt-free community college program starting by January 1, 2021.

BACKGROUND

Related Bill

sHB 7161, favorably reported by the Higher Education and Employment Advancement Committee, establishes a similar program that awards students the cost of tuition and fees for the final half of the credit hours required to earn an associate or bachelor's degree.

COMMENT

Initial Financial and Academic Audit

The bill requires the community colleges to conduct an initial financial and academic audit of eligible students prior to the fall 2020 semester. Such an audit would not be able to determine the total number of credit hours each qualifying student earned while enrolled, since the semester will not have begun. Therefore, data for this audit would be incomplete, and BOR would be unable to share information with the General Assembly necessary for calculating a state appropriation for the program's first year.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 14 Nay 8 (03/12/2019)