

Substitute Senate Bill No. 365

Senate, April 16, 1998. The Committee on Appropriations reported through SEN. CRISCO, 17th DIST., Chairman of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING SCHOLARSHIPS FOR HIGHER EDUCATION.

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

1 Section 1. (NEW) The Board of Trustees of the  
2 Community-Technical Colleges shall provide  
3 scholarships for first-year attendance at a  
4 regional community-technical college to each  
5 student accepted for admission at a regional  
6 community-technical college who is a resident of  
7 Connecticut and has at least a B average in high  
8 school. The scholarship shall be in an amount  
9 equal to the full cost of tuition at such a  
10 college. A student who receives such a scholarship  
11 for his first year shall be eligible for a  
12 scholarship in such amount for his second year of  
13 attendance if he maintained at least a B average  
14 for his first year.

15 Sec. 2. Subsection (f) of section 10a-77 of  
16 the general statutes is repealed and the following  
17 is substituted in lieu thereof:

18 (f) (1) The Regional Community-Technical  
19 Colleges Operating Fund shall be reimbursed for  
20 the amount by which the tuition waivers granted  
21 under subsection (d) of this section exceed five  
22 per cent of tuition revenue through an annual

23 state appropriation. The board of trustees shall  
24 request such an appropriation and [said] THE  
25 appropriation shall be based upon an estimate of  
26 tuition revenue loss DUE TO SUCH WAIVERS using  
27 tuition rates in effect for the fiscal year in  
28 which such appropriation will apply. (2) THE  
29 REGIONAL-COMMUNITY TECHNICAL COLLEGES OPERATING  
30 FUND SHALL BE REIMBURSED FOR THE TOTAL AMOUNT OF  
31 SCHOLARSHIPS AWARDED PURSUANT TO SECTION 1 OF THIS  
32 ACT THROUGH A DISBURSEMENT FROM THE CONNECTICUT  
33 SCHOLARSHIP FUND PURSUANT TO SECTION 8 OF THIS  
34 ACT. THE BOARD OF TRUSTEES SHALL REQUEST SUCH A  
35 DISBURSEMENT FROM THE STATE TREASURER AND THE  
36 DISBURSEMENT SHALL BE BASED UPON AN ESTIMATE OF  
37 TUITION REVENUE LOSS DUE TO SUCH SCHOLARSHIPS  
38 USING TUITION RATES IN EFFECT FOR THE FISCAL YEAR  
39 IN WHICH SUCH DISBURSEMENT WILL APPLY.

40 Sec. 3. (NEW) The Board of Trustees of the  
41 Connecticut State University System shall award  
42 scholarships for first-year attendance at a state  
43 university to each student accepted for admission  
44 at a state university who is a resident of  
45 Connecticut and has at least a B average in high  
46 school. The amount of the scholarship shall be  
47 based on the annual income of the family of the  
48 student. If such annual income is: (1) Less than  
49 fifty thousand dollars, the amount of the  
50 scholarship shall be equal to the full cost of  
51 tuition and room and board at a state university,  
52 and (2) fifty thousand dollars or more, the amount  
53 of the scholarship shall be equal to the full cost  
54 of tuition at a state university. A student who  
55 receives such a scholarship for his first year  
56 shall be eligible to receive a scholarship in the  
57 appropriate amount based on such annual income for  
58 his second, third and fourth years of attendance  
59 if he maintained at least a B average for the  
60 prior year.

61 Sec. 4. Subsection (f) of section 10a-99 of  
62 the general statutes is repealed and the following  
63 is substituted in lieu thereof:

64 (f) (1) The Connecticut State University  
65 System Operating Fund shall be reimbursed for the  
66 amount by which the tuition waivers granted under  
67 subsection (d) of this section exceed two and  
68 one-half per cent of tuition revenue through an  
69 annual state appropriation. The board of trustees  
70 shall request such an appropriation and [said] THE

71 appropriation shall be based upon an estimate of  
72 tuition revenue loss DUE TO SUCH WAIVERS using  
73 tuition rates in effect for the fiscal year in  
74 which such appropriation will apply. (2) THE  
75 CONNECTICUT STATE UNIVERSITY SYSTEM OPERATING FUND  
76 SHALL BE REIMBURSED FOR THE TOTAL AMOUNT OF THE  
77 SCHOLARSHIPS AWARDED PURSUANT TO SECTION 3 OF THIS  
78 ACT THROUGH A DISBURSEMENT FROM THE CONNECTICUT  
79 SCHOLARSHIP FUND PURSUANT TO SECTION 8 OF THIS  
80 ACT. THE BOARD OF TRUSTEES SHALL REQUEST SUCH A  
81 DISBURSEMENT FROM THE STATE TREASURER AND THE  
82 DISBURSEMENT SHALL BE BASED UPON AN ESTIMATE OF  
83 THE TUITION AND ROOM AND BOARD REVENUE LOSS DUE TO  
84 SUCH SCHOLARSHIPS USING TUITION AND ROOM AND BOARD  
85 RATES IN EFFECT FOR THE FISCAL YEAR IN WHICH SUCH  
86 DISBURSEMENT WILL APPLY.

87 Sec. 5. (NEW) The Board of Trustees of The  
88 University of Connecticut shall award a  
89 scholarship for first-year attendance at The  
90 University of Connecticut to each student accepted  
91 for admission at the university who is a resident  
92 of Connecticut and has at least a B average in  
93 high school. The amount of the scholarship shall  
94 be based on the annual income of the family of the  
95 student. If such annual income is: (1) Less than  
96 fifty thousand dollars, the amount of the  
97 scholarship shall be equal to the full cost of  
98 tuition and room and board at the university, and  
99 (2) fifty thousand dollars or more, the amount of  
100 the scholarship shall be equal to the full cost of  
101 tuition at the university. A student who receives  
102 such a scholarship for his first year shall be  
103 eligible to receive a scholarship in the  
104 appropriate amount based on such annual income for  
105 his second, third and fourth years of attendance  
106 if he maintained at least a B average the prior  
107 year.

108 Sec. 6. Subsection (g) of section 10a-105 of  
109 the general statutes is repealed and the following  
110 is substituted in lieu thereof:

111 (g) (1) The University of Connecticut  
112 Operating Fund shall be reimbursed for the amount  
113 by which tuition waivers granted under subsection  
114 (e) of this section exceed two and one-half per  
115 cent of tuition revenue through an annual state  
116 appropriation. The board of trustees shall request  
117 such an appropriation and [said] THE appropriation  
118 shall be based upon an estimate of tuition revenue

119 loss DUE TO SUCH WAIVERS using tuition rates in  
120 effect for the fiscal year in which such  
121 appropriation will apply. (2) THE UNIVERSITY OF  
122 CONNECTICUT OPERATING FUND SHALL BE REIMBURSED FOR  
123 THE TOTAL AMOUNT OF THE SCHOLARSHIPS AWARDED  
124 PURSUANT TO SECTION 5 OF THIS ACT THROUGH A  
125 DISBURSEMENT FROM THE CONNECTICUT SCHOLARSHIP FUND  
126 PURSUANT TO SECTION 8 OF THIS ACT. THE BOARD OF  
127 TRUSTEES SHALL REQUEST SUCH A DISBURSEMENT FROM  
128 THE STATE TREASURER AND THE DISBURSEMENT SHALL BE  
129 BASED UPON AN ESTIMATE OF THE TUITION AND ROOM AND  
130 BOARD REVENUE LOSS DUE TO SUCH SCHOLARSHIPS USING  
131 TUITION AND ROOM AND BOARD RATES IN EFFECT FOR THE  
132 FISCAL YEAR IN WHICH SUCH DISBURSEMENT WILL APPLY.

133 Sec. 7. (NEW) (a) An independent institution  
134 of higher education in Connecticut may award a  
135 state-funded scholarship for first-year attendance  
136 at such institution to each student accepted for  
137 admission at such institution who is a resident of  
138 Connecticut and has at least a B average in high  
139 school. The amount of such scholarship shall be  
140 based on the annual income of the family of such  
141 student. If such annual income is: (1) Less than  
142 fifty thousand dollars, the amount of the  
143 scholarship shall be equal to the lesser of the  
144 full cost of tuition and room and board at the  
145 independent institution of higher education or the  
146 full cost of tuition and room and board at The  
147 University of Connecticut for the appropriate  
148 year, and (2) fifty thousand dollars or more, the  
149 amount of the scholarship shall be equal to the  
150 lesser of the full cost of tuition at the  
151 independent institution of higher education or the  
152 full cost of tuition at The University of  
153 Connecticut for the appropriate year. A student  
154 who receives such a scholarship for his first year  
155 shall be eligible to receive a scholarship in the  
156 appropriate amount based on such annual income for  
157 his second, third and fourth years of attendance  
158 if he maintained at least a B average for the  
159 prior year.

160 (b) The State Treasurer shall pay the  
161 independent institution of higher education, from  
162 the Connecticut Scholarship Fund pursuant to  
163 section 8 of this act, an amount equal to the  
164 total amount of the scholarships awarded pursuant  
165 to this section. The chief fiscal officer of the  
166 independent institution of higher education shall

167 submit a request for such payment, with any  
168 documentation required by the State Treasurer, at  
169 such time and in such manner as the State  
170 Treasurer prescribes.

171 Sec. 8. (NEW) There is established a  
172 Connecticut Scholarship Fund. The State Treasurer  
173 may accept and receive on behalf of the fund any  
174 bequest, devise, gift, donation or grant made to  
175 the fund. Moneys deposited in the fund shall be  
176 held by the State Treasurer separate and apart  
177 from all other moneys, funds and accounts.  
178 Investment earnings credited to the fund shall  
179 become a part of the fund. Amounts in the fund  
180 shall be expended to (1) reimburse the operating  
181 funds of the constituent units of higher education  
182 in accordance with subsection (f) of section  
183 10a-77 of the general statutes, as amended by  
184 section 2 of this act, subsection (f) of section  
185 10a-99 of the general statutes, as amended by  
186 section 4 of this act, and subsection (g) of  
187 section 10a-105 of the general statutes, as  
188 amended by section 6 of this act, and (2) pay  
189 independent institutions of higher education in  
190 accordance with the provisions of section 7 of  
191 this act.

192 Sec. 9. This act shall take effect July 1,  
193 1998.

194 ED COMMITTEE VOTE: YEA 29 NAY 2 JFS C/R APP  
195 APP COMMITTEE VOTE: YEA 31 NAY 19 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF 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 HOUSE THEREOF FOR ANY PURPOSE."

\* \* \* \* \*

**FISCAL IMPACT STATEMENT - BILL NUMBER sSB 365**

STATE IMPACT	Significant Cost, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Constituent Units of Higher Education

**EXPLANATION OF ESTIMATES:**

Passage of the bill will result in significant cost. There are currently over 14,200 Connecticut resident freshmen with B averages in the state's public and private institutions. Tuition cost range from \$1,814 at Community Technical Colleges to \$10,704 which includes room and board at the University of Connecticut. Based on these figures, cost would range between \$50 and \$80 million in the first year depending upon factors such as family annual income and commuter/resident status.

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**OLR BILL ANALYSIS**

sSB 365

**AN ACT CONCERNING SCHOLARSHIPS FOR HIGHER EDUCATION**

**SUMMARY:** This bill entitles every Connecticut resident who has at least a B average in high school to a state-funded scholarship for his first year at a Connecticut public college that admits him. It also allows Connecticut private colleges to award state-funded scholarships to any such residents they admit. Students who receive first-year scholarships are

eligible for scholarships in subsequent years if they maintain at least a B average in college. The bill establishes a Connecticut Scholarship Fund to pay for the scholarships.

Scholarships to UConn and the Connecticut State University (CSU) system are for full tuition, room, and board if a student's family income is under \$50,000 per year and for full tuition only for those with higher incomes. Scholarships to private colleges are for amounts equal to (1) the college's or UConn's tuition, room, and board, whichever is less, for those with family incomes under \$50,000 per year, and (2) the college's or UConn's full tuition only, whichever is less, for those with higher incomes. Scholarships to regional community-technical colleges are for full tuition only regardless of family income. (The community-technical colleges do not have boarding students.)

EFFECTIVE DATE: July 1, 1998

#### **FURTHER EXPLANATION**

##### **Scholarships**

The bill requires the boards of trustees of the state's public colleges to award scholarships to eligible students and allows private colleges in Connecticut to do so. If a student achieves a B average in college in the prior year, he is eligible for a scholarship for his second, third, and fourth years, but only if he received a scholarship for his first year.

##### **Connecticut Scholarship Fund**

The bill establishes the fund and allows the treasurer to accept grants, gifts, donations, bequests, and devises for it. It requires him to keep the fund separate from other funds and accounts and makes the fund's investment earnings part of the fund.

##### **Reimbursement for Scholarships**

The treasurer must reimburse colleges from the scholarship fund for the total annual cost of all the scholarships they award under the bill. Public college reimbursements (1) go their system operating funds; (2)

must be paid on request of their boards of trustees; and (3) must be based on an estimated revenue loss from the scholarships according to tuition, room, and board rates in effect for the fiscal year to which the fund disbursement applies.

The treasurer must reimburse each private college at the request of its chief fiscal officer. The request must be made when and how the treasurer prescribes and must be accompanied by any documentation he requires.

#### **COMMITTEE ACTION**

##### Education Committee

Joint Favorable Substitute Change of Reference  
Yea 29      Nay 2

##### Appropriations Committee

Joint Favorable Report  
Yea 31      Nay 19