



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1745

PRINTERS NO. 3744

PRIME SPONSOR: Hickernell

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	See Fiscal Impact	

SUMMARY:

House Bill 1745 creates the free-standing Fostering Independence Through Education Act. It would take effect in 60 days.

ANALYSIS:

The Fostering Independence Through Education Act creates a tuition and fee waiver program for youth who are or were in foster care. In addition to being current or former foster care children, there is an age qualification of at least 14 years of age but under 26 years of age. Participants must also be PA residents who have graduated from high school or another equivalent approved by the Department of Education (PDE), and have been accepted for admission to, or be currently attending, a state postsecondary educational institution. Participants must also apply for all available Federal and State grants.

The State postsecondary institutions which must participate in the program are the community colleges, the universities of the State System of Higher Education, the Pennsylvania State University, the University of Pittsburgh, Temple University, Lincoln University, and the Thaddeus Stevens College of Technology.

Beginning with the semester starting in the fall of 2019, each State postsecondary educational institution must award a tuition and fee waiver for undergraduate courses at the institution for each individual who is eligible for the program. The tuition and fee waiver must be equal to the amount of the tuition and all fees at the State postsecondary educational institution the individual attends, minus the amount of any Federal grants, State grants or other scholarships or grants the individual receives.

Each State postsecondary educational institution must designate an appropriate staff person or persons as a point of contact (POC) for students eligible for the program. This POC will help students obtain verification of eligibility for the program and assist all eligible students applying to or attending the institution with information and referrals for on-campus support services and resources, including admissions, housing, financial aid, health, mental health, tutoring, career, academic advising and other services.

The Department of Human Services (DHS), in conjunction with the PDE, must, by December 1, 2018, prepare information to be disseminated by county agencies, PDE, and State postsecondary educational institutions that describes the availability of the program and explains how to participate. This information must be disseminated to potentially eligible individuals. Each State postsecondary educational institution must assist DHS and PDE in the dissemination of this information and make it available on their websites.

The State postsecondary institutions must also track the retention rates of students that voluntarily disclose to the institution their eligibility for the program. They will also provide PDE and DHS with recommendations on ways to improve the program. They are also required to report information related to the program to PDE and DHS by June 30, 2019, and each June 30 thereafter.

In order to determine and maximize the effectiveness of this program, DHS, with the assistance of PDE, shall collect information obtained from all State postsecondary educational institutions and prepare a report to be submitted by August 31, 2019, and by August 31 of each year thereafter, to the General Assembly, the contents of which are detailed in the bill.

FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds. However, it could have an impact on the State postsecondary institutions that must provide additional tuition and fee waivers to program participants.

The State System has indicated they believe their universities will have to waive approximately \$5 million in tuition and fees per year under this program, which could increase in future years as tuition, fees, and participation grow.

The state's Community Colleges, the Thaddeus Stevens College of Technology, and Temple University have indicated the impact of this program on their revenue will be minimal. They believe the amount of state, federal, and institutional aid currently provided to students eligible for this program is sufficient to cover most tuition and fees, so the dollars actually waived will be negligible.

Penn State, the University of Pittsburgh and Lincoln University did not provide their own cost estimates.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: June 22, 2018

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.