

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 329

PRINTER NO. 220

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

January 26, 2015

PRIME SPONSOR

Senator Ward

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 329 establishes Article XXII-B (Ready to Succeed Scholarship) in the Public School Code to provide for a new scholarship program administered by the Pennsylvania Higher Education Assistance Agency to help defray the cost of attending a state-grant-approved institution of higher education that is domiciled and headquartered in the Commonwealth.

The bill specifies that PHEAA is to use funds appropriated for this purpose from the General Fund and may accept donations from all public and private sources, including the Federal government, to provide funding to eligible students.

It provides that the eligibility criteria developed for receipt of a scholarship, at a minimum, require the following: (1) total annual household income not in excess of \$110,000 adjusted upward annually for changes in the Consumer Price Index; (2) at least half-time enrollment in an approved course of study; (3) demonstration of outstanding academic achievement; and (4) compliance with all aspects of the State Grant Program except financial need. It also specifies that a student may be eligible for a grant award if the award amount in combination with a state grant award does not exceed an annually established maximum award amount.

The bill also provides PHEAA sole discretion to make scholarship awards and is scheduled to take effect immediately.

FISCAL IMPACT:

The enactment of Senate Bill 329 will have no adverse fiscal impact on Commonwealth Funds. Future funding will be dependent on appropriations made by the General Assembly. Please note, similar language provided for the implementation of this scholarship program for Fiscal Year 2014-15 in Act 126 of 2014, and an appropriation of \$5,000,000 was included for this purpose in the General Appropriations Act. In addition, the Governor has proposed \$15,000,000 for this scholarship program in his FY 2015-16 budget.