

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3339-04
Bill No.: SCS for HCS for HB 1473
Subject: Education, Higher; Higher Education Department; Public Assistance
Type: Original
Date: May 10, 2010

Bill Summary: Revises the grade point average requirements for renewal of Access Missouri Scholarships.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Higher Education (MHDE)** assume the following:

Access Missouri. The MDHE assumes that this legislation would only substantially affect renewal eligibility for sophomores. The number of additional juniors and seniors eligible for aid as a result of the GPA change is likely to be relatively small. Based on the new language in this draft, the MDHE assumes that no additional funds would be appropriated for Access Missouri. Individual students' award amounts would decrease slightly to allow more students to receive the award.

The MDHE assumes that it could administer the Access Missouri program with no additional appropriation for staff, equipment, or computer reprogramming.

Other programs. The programs the MDHE administers already have 2.5 renewal requirements. The MDHE assumes that the fiscal impact of these programs would not change based on this draft legislation.

The MDHE assume this bill would have no fiscal impact until FY 2016, the first year the changes in award amount go into effect. Because Access Missouri is completely scaleable (award amounts are adjusted based on the amount appropriated for the program), this bill would not necessarily change the cost of the program. Assuming that Access Missouri funding remains constant or increases at the rate of inflation, this bill would not significantly impact the percent of the maximum award that the MDHE is able to make to students.

Oversight assumes the legislation affects the 2014-2015 academic year which is outside the fiscal note period.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

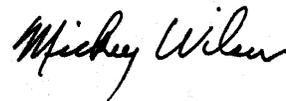
This bill revises the grade required for renewing an Access Missouri Scholarship from a 2.5 grade point average (GPA) on a four-point scale to maintaining satisfactory academic progress for those scholarship recipients who have less than 60 semester hours, while retaining the 2.5 GPA for those with 60 semester hours or more. Satisfactory academic progress is to be defined by the institution of attendance but cannot be lower than a 2.0 on a four-point scale. The bill clarifies that the required GPA for the renewal of other assistance programs will continue to be 2.5.

The bill contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education



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