

HCS HB 272 -- HIGHER EDUCATION SCHOLARSHIP PROGRAM

SPONSOR: Hoskins

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Higher Education by a vote of 12 to 0. Voted "Do Pass with HCS" by the Select Committee on Education by a vote of 10 to 0.

This bill changes the laws regarding the Higher Education Academic Scholarship Program, commonly known as Bright Flight, to include forgivable loans.

The bill defines "continuous enrollment" as the successful completion of at least 24 semester credit hours by the conclusion of the 12 months following a renewal student's initial enrollment and 30 additional semester credit hours at the conclusion of each subsequent 12-month period, including credit for dual credit or dual enrollment completed before high school graduation as determined by the Department of Higher Education.

An "eligible borrower" is defined, beginning in academic year 2015-16, as an eligible student who completes high school in the 2014-15 school year or subsequent year and elects to receive a forgivable loan or loans under these provisions.

An applicant who graduates from high school in the 2016-17 school year or after must attain a score of proficient or advanced on the official Algebra I end-of-course assessment or its equivalent on a successor assessment or a higher level department-approved end-of-course assessment or a qualifying score as established annually by the Coordinating Board for Higher Education within the department on a specified component of the COMPASS exam published by the American College Testing (ACT) or the ACT test and on the official English I end-of-course assessment or its equivalent or a specified component of the exam or the test in order to be eligible for the program. A student with an individualized education program or a plan prepared under Section 504 of the federal Rehabilitation Act of 1973 may demonstrate proficiency as established by board rule.

The definition of "renewal student" is revised to require the student to receive a scholarship payment during each academic year.

If an eligible student is unable to maintain continuous enrollment as required due to serious and unusual personal circumstances, he or she may seek a waiver from his or her institutional office that handles compliance with satisfactory academic progress.

An eligible or renewal student may choose to receive forgivable loans from the coordination board for up to 10 semesters or the

equivalent.

An eligible student or renewable student enrolled at a public four-year college or university, the State Technical College of Missouri, or an approved private institution may elect to receive a loan of up to \$5,000 per academic year. An eligible student or renewal student enrolled at a public community college may elect to receive a loan of up to \$2,000 per academic year. Each loan must be payable in no less than two payments, with each payment not to exceed one-half of the academic year maximum. Under no circumstances must an eligible student or renewal student receive more than \$20,000 in forgivable loans in total. The loan amount when combined with all other aid received by the student must not exceed the cost of attendance.

The student must agree to be employed in Missouri within one year of the cessation of full-time postsecondary attendance and fulfill the contractual obligations specified in the bill. An eligible borrower who ceases to be employed in the state or fails to meet the contract requirements must repay the loan with interest. The board must approve loan forgiveness on a year-by-year basis.

The Higher Education Academic Scholarship Trust Fund is created consisting of all appropriations, donations, and other funds to be used by the board to provide loans to eligible students. The Department of Higher Education may retain up to 2% of the loan volume to contract for the administration of the program.

PROPONENTS: Supporters say that the bill will positively affect students receiving higher education funds and the Missouri economy.

Testifying for the bill were Representative Hoskins; Paul Wagner, Council on Public Higher Education; University of Missouri; Associated Students of the University of Missouri; and Leroy Wade, Department of Higher Education.

OPPONENTS: There was no opposition voiced to the committee.