Legislative Fiscal Bureau
Fiscal Note

HF 2053 - Vocational-Tech Tuition Grant Increase (LSB 5470 HH)

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Fiscal Note Version - new

Description

House File 2053 increases the maximum Vocational-Technical Tuition Grant from $650 to $1,200.

Background

The College Student Aid Commission has requested an increase in the maximum Vocational-Technical Tuition Grant. This request was proposed by the financial aid officers at Iowa's community colleges as part of an overall proposal to change the way that student need for the Grant is determined.

Currently, most recipients of Iowa Vocational-Technical Tuition Grants are also recipients of the $3,750 federal Pell Grant. The two grants combined typically exceed the cost of direct educational expenses at the community colleges. The request to increase the maximum Vocational-Technical Tuition Grant in combination with administrative changes in the distribution of the Grant, will allow the Commission to direct larger Grants to students that do not receive Pell Grant assistance.

Fiscal Impact

House File 2053 is not expected to have a significant fiscal impact on the State General Fund. While the maximum grant amount is increased, it is expected that fewer students will receive the Grants. The College Aid Commission anticipates that no additional funding, and perhaps less funding, will be necessary to implement the new proposal for Vocational-Technical Tuition Grants. The Vocational-Technical Tuition Grant Program is funded by a standing appropriation, but it is not an unlimited standing appropriation. The General Assembly determines Program funding each year, thus limiting the cost to the available (appropriated) funding.

Source

College Student Aid Commission

_____/s/ Dennis C. Prouty_____

January 25, 2002

The fiscal note and correction impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.