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FISCAL IMPACT STATEMENT

LS 7628

BILL NUMBER: HB 1266

NOTE PREPARED: Feb 8, 2007

BILL AMENDED: Feb 1, 2007

SUBJECT: Twenty-First Century Scholarships.

FIRST AUTHOR: Rep. Avery

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ___ **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that a student who is in foster care, or placed in a child caring institution or the home of a relative or other unlicensed caretaker: (1) may enroll in the Twenty-First Century Scholars Program at any time before the student graduates from high school; (2) is not required to be eligible for free or reduced price lunches to participate; and (3) is not required to have a custodial parent or guardian agree to the student's participation in the program.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The bill could increase the number of students eligible for the Twenty-First Century Scholars Program. The impact would depend on the number of foster care students that may become eligible. The bill removes the requirement that the student enroll in the program as an 8th grader and be eligible for free or reduced lunch benefits. Currently all foster children are eligible for free and reduced lunch since they are classified as a family of 1. For each 100 additional students that might qualify the increase in the Twenty-First Century Scholars grants would be about \$222,800. These grants are subject to appropriation.

Background: To be eligible to receive a Twenty-First Century Scholars grant the student has to meet the following requirements.

1. Be a resident of Indiana.
2. Be enrolled in the 8th grade at a public or accredited nonpublic school.
3. Be eligible for free or reduced priced lunch.
4. Agree in writing, together with the students's custodial parents or guardian that the student will:
 - a. Graduate from high school and meet the admission requirements to college.

- b. Not illegally use a controlled substance.
- c. Not commit a crime or infraction, crime, or delinquent act. .
- d. When the eligible students is a senior in high apply:
 - i. To an institution of higher learning for admission.
 - ii. For any federal or state student financial assistance.
- e. Achieve a cumulative grade point average upon graduation of at least 2.0.

As of January 10, 2007, there were about 2,361 foster care children. The 21st Century Scholarship provided about \$19.9 M in awards to 8,945 students, with an average award of \$2,228 for FY 2006.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission.

Local Agencies Affected:

Information Sources: State Student Assistance Commission budget documents.

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