

HB 676-FN-A - AS INTRODUCED

2015 SESSION

15-0665
04/05

HOUSE BILL **676-FN-A**

AN ACT establishing a science, technology, engineering, and mathematics scholars program.

SPONSORS: Rep. Kurk, Hills 2; Rep. Ladd, Graf 4; Rep. Gile, Merr 27; Rep. Shaw, Hills 16; Rep. Umberger, Carr 2; Sen. Reagan, Dist 17; Sen. Stiles, Dist 24

COMMITTEE: Education

ANALYSIS

This bill establishes a science, technology, engineering, and mathematics (STEM) scholars program to be administered by the university system of New Hampshire board of trustees to provide partial scholarships to students pursuing either a 4-year degree in a STEM field at a public postsecondary educational institution of the university system of New Hampshire who agree to work in New Hampshire after graduation in a STEM field for a minimum of 5 years.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT establishing a science, technology, engineering, and mathematics scholars program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraph; University System of New Hampshire; Board of Trustees. Amend RSA 187-
2 A:16 by inserting after paragraph XXIII the following new paragraph:

3 XXIV. Administer, at no cost to the state, all aspects of the science, technology, engineering,
4 and mathematics (STEM) scholars program established in RSA 200-N.

5 2 New Chapter; Science, Technology, Engineering, and Mathematics (STEM) Scholars Program.
6 Amend RSA by inserting after chapter 200-M the following new chapter:

7 CHAPTER 200-N

8 SCIENCE, TECHNOLOGY, ENGINEERING, AND
9 MATHEMATICS (STEM) SCHOLARS PROGRAM

10 200-N:1 Program Established. There is hereby established the science, technology, engineering,
11 and mathematics (STEM) scholars program which shall be administered by the university system of
12 New Hampshire board of trustees. The purpose of this program is to provide full tuition scholarships
13 to students pursuing a 4-year degree in a STEM field at any public postsecondary educational
14 institution of the university system of New Hampshire who agree to work in New Hampshire after
15 graduation in a STEM field for a minimum of 5 years. All funds received pursuant to this chapter
16 shall be nonlapsing and continually appropriated to the university system of New Hampshire for the
17 purposes of this program.

18 200-N:2 Program Criteria.

19 I. Any student who is interested in pursuing a 4-year degree in a STEM field at any public
20 postsecondary educational institution of the university system of New Hampshire and whose family
21 income is less than 400 percent of the state median family income based on the most recent
22 calculations by the United States Department of Commerce, Census Bureau, shall be eligible to
23 apply for this program. An eligible student shall submit an application to the university system of
24 New Hampshire board of trustees, on a form developed by the board of trustees.

25 II. Applicants who are selected to receive a scholarship under this program shall maintain a
26 2.0 grade point average and meet such other criteria as may be established in this chapter.
27 Preference shall be given to those students who, but for the award of a scholarship under this
28 program, would not work in New Hampshire in a STEM field after graduation. Applicants selected
29 shall receive a scholarship for the applicable tuition and academic fees reduced by the amount of any
30 other scholarship aid they may receive. No other charges for tuition or fees shall be imposed on the

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1 student. The scholarship shall be for a maximum of 4 academic years. Out-of-state students
2 awarded scholarships under this program shall be assessed the in-state tuition rate.

3 III. Applicants selected to receive a scholarship under this program shall agree to work in
4 New Hampshire after graduation in a STEM field for at least 5 years.

5 IV. A scholarship recipient who does not work in New Hampshire after graduation in a
6 STEM field for at least 5 years shall return to the university system of New Hampshire 20 percent of
7 the total of all scholarships received under this chapter for each year or portion of a year in which
8 the recipient did not work in New Hampshire. All funds so returned shall be placed in the STEM
9 scholars fund established in 200-N:3.

10 V. All funds in the STEM scholars fund established in RSA 200-N:3 shall be used annually
11 to provide scholarships under this program.

12 200-N:3 STEM Scholars Fund Established. There is hereby established in the office of the state
13 treasurer a fund to be known as the STEM scholars fund. The fund shall include any sums
14 appropriated for such purpose. In addition, the university system of New Hampshire board of
15 trustees may accept public sector and private sector grants, gifts, or donations of any kind for the
16 purpose of funding the provisions of this chapter. The moneys in this fund shall be nonlapsing and
17 shall be continually appropriated to the university system of New Hampshire board of trustees. The
18 fund shall be expended by the university system of New Hampshire board of trustees to award
19 scholarships to selected students pursuing studies in a STEM field in accordance with this chapter.
20 The state treasurer may invest moneys in the fund as provided by law, with interest received on
21 such investment credited to the fund.

22 200-N:4 STEM Fields Defined. In this chapter, "STEM" or "STEM field" means the following
23 list of occupations in the 2010 federal Standard Occupational Classification (SOC) system: 11-3021;
24 11-9041; 11-9121; 15-1111; 15-1121; 15-1131; 15-1132; 15-1134; 15-1141; 15-1143; 15-1151; 15-1152
25 ;15-1199; 15-2011; 15-2031; 15-2041; 15-2091; 15-2099; 17-1011; 17-1012; 17-1021; 17-1022; 17-2011;
26 17-2021; 17-2031; 17-2041; 17-2051; 17-2061; 17-2071; 17-2072; 17-2081; 17-2111; 17-2112; 17-2131;
27 17-2141; 17-2151; 17-2161; 17-2199; 17-3011; 17-3012; 17-3013; 17-3019; 17-3021; 17-3022; 17-3023;
28 17-3024; 17-3025; 17-3026; 17-3027; 17-3029; 17-3031; 19-1011; 19-1012; 19-1013; 19-1021; 19-1022;
29 19-1023; 19-1029; 19-1031; 19-1032; 19-1041; 19-1042; 19-1099; 19-2011; 19-2012; 19-2021; 19-2031;
30 19-2032; 19-2041; 19-2042; 19-2043; 19-2099; 19-4011; 19-4021; 19-4031; 19-4041; 19-4051; 19-4061;
31 19-4091; 19-4092; 19-4093; 19-4099.

32 200-N:5 Rulemaking. The university system board of trustees shall adopt rules, pursuant to
33 RSA 541-A, relative to the following:

34 I. Instituting a scholarship application process.

35 II. Establishing academic and other standards by which scholarships shall be awarded.

36 III. Establishing priorities in awarding scholarships where the funds available for
37 scholarships are less than the amount needed for eligible applicants.

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1 IV. Establishing procedures for awarding and disbursing scholarships.

2 V. Establishing a procedure requiring students participating in this program to work in New
3 Hampshire after graduation in a STEM field for a minimum of 5 years. Such procedure shall clearly
4 set forth the terms of the 5-year commitment and the repayment obligation incurred by the student
5 if the 5-year commitment is not fulfilled.

6 VI. Establishing procedures to track students in the program and to track graduates of the
7 program to ensure the conditions of the program are fulfilled.

8 VII. Establishing procedures to recover scholarship funds paid on behalf of participants who
9 do not complete their degree in a STEM field.

10 3 Appropriation. From any funds appropriated in each biennial state budget to the university
11 system of New Hampshire, an amount equal to the in-state tuition rate plus associated academic
12 fees at the university of New Hampshire, as certified on July 1 of each year by the legislative budget
13 assistant, multiplied by the following number, shall be deposited in the STEM scholars fund
14 established in RSA 200-N:3:

15 July 1, 2015	200
16 July 1, 2016	400
17 July 1, 2017	600
18 July 1, 2018 and each year thereafter	800

19 4 New Subparagraph; Application of Receipts; STEM Scholars Fund. Amend RSA 6:12, I(b) by
20 inserting after subparagraph (326) the following new subparagraph:

21 (327) Moneys deposited in the STEM scholars fund established in RSA 200-N:3.

22 5 Effective Date. This act shall take effect 60 days after its passage.

HB 676-FN-A - FISCAL NOTE

AN ACT establishing a science, technology, engineering, and mathematics scholars program.

FISCAL IMPACT:

The University System of New Hampshire states this bill, **as introduced**, will decrease state revenue, and increase state expenditures by an indeterminable amount in FY 2016 and each fiscal year thereafter. There will be no impact on county and local revenue or expenditures.

METHODOLOGY:

The University System of New Hampshire states this bill establishes a science, technology, engineering, and math (STEM) scholars program and fund to be administered by the System. This bill specifies the program is to be funded through biennial appropriations of an amount determined by multiplying in-state tuition rates plus associated academic fees by 200 in FY 2016, 400 in FY 2017, 600 in FY 2018, and by 800 in FY 2019 and each fiscal year thereafter. This bill also specifies the program is to be administered by the System at no cost to the state and allows for the acceptance of grants, gifts, and donations for additional funding. The program is to provide full tuition and fee scholarships (net of other grant or scholarship aid received) to students pursuing 4 year degrees in STEM fields who agree to work in NH after graduation in a STEM field for a minimum of 5 years. The proposed legislation contains provisions providing for scholarship recipients to be held financially liable for the return of scholarship funds in the event they fail to meet the 5 year work requirement. Based on the funding formula specified in this bill, using FY 2015 tuition and fee rates, while allowing for a 2.3% annual increase in fees; the System estimates the passage of the proposed legislation to impact state expenditures as follows:

	FY 2016	FY 2017	FY 2018	FY 2019
UNH Academic Fees	\$ 2,882	\$ 2,948	\$ 3,016	\$ 3,085
UNH In State STEM Tuition	\$ 14,635	\$ 14,635	\$ 14,635	\$ 14,635
	\$ 17,517	\$ 17,583	\$ 17,651	\$ 17,720
Funding Multiplier	200	400	600	800
Estimated Appropriation	\$3,503,400	\$7,033,314	\$10,590,658	\$14,176,373

The System is unable to estimate to what extent the solicitation and acceptance of grants, gifts, and donations to the scholarship fund will have on future state revenues and expenditures. The System states implementation of the proposed legislation will inherently require

administrative efforts to establish and implement the policies and procedures necessary to award scholarships as well as to track scholarship recipients to ensure the 5 year work requirement is met. The System will also have to establish and implement policies and procedures to track scholarship recipients post-graduation to ensure the 5 year work requirement is met, and in instances where it is not, to recoup scholarship funds accordingly. In addition to being unable to estimate the costs associated with the establishment and implementation of these policies and procedures, the System notes default rates on student loans approximates 20%. The System estimates a similar default rate on the ability to recoup scholarship costs in the event of a graduate's failure to meet the work requirements of the bill.