

## THE STOUFFER REPORT

Senator Bill Stouffer Senate District 21

For the Week of: April 16, 2007 Capitol Building, Room 332 Jefferson City, MO 65101

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## Making College More Affordable For Missouri Students

A top priority for lawmakers each legislative session is making sure Missouri students receive a top-notch education. A bill that limits increases in college tuition, expands scholarship opportunities and funding and provides for the building of campus facilities is meant to do just that. <u>Senate Bill 389</u>, as well as its companion budget bill <u>House Bill 16</u>, received approval by the Missouri Senate this week in another late-night session.

SB 389 combines the current Gallagher and Guarantee scholarships to create the Access Missouri Financial Assistance Program. Funding for needs-based scholarships will grow through this program, with \$25 million included in HB 16. Community college students would be eligible for annual needs-based scholarships of \$300 to \$1,000, \$1,000 to \$2,150 annually for public university students, and \$2,000 to \$4,000 for students who attend private colleges and universities. The bill also makes future changes to Missouri's existing Bright Flight scholarship program.

It is the legislature's goal through this bill to keep tuition costs down so students can attend our state's colleges and universities. SB 389 expands needs-based scholarship opportunities, which means more money for Missouri families and students.

The new plan also authorizes the Lewis and Clark Discovery Initiative that will build and maintain projects on Missouri's colleges, universities and community college campuses. Nearly \$260 million will go to fund 28 university and college building projects, with an additional \$30 million to community college campuses and \$15 million for business research hubs affiliated with universities.

By building world-class facilities for Missouri students, we open the door for them to be the first in their field to study and work with state-of-the-art technology in an atmosphere that has the potential to produce some of Missouri's finest citizens.

The funding is provided for by the partial sale of assets of the Missouri Higher Education Loan Authority, or MoHELA. The loan authority has already sold assets which total \$211 million for the projects without any impact on their ability to offer low interest loans to Missouri students.

The measure also gives the Missouri Coordinating Board for Higher Education more oversight of tuition increases. Beginning in school year 2008-2009, if a university increases their tuition at a rate greater than inflation, defined as the Midwest Consumer Price Index which is determined by the federal government, the Coordinating Board could fine the institution up to 5 percent of their state appropriation. The university can seek a waiver for exceptional circumstances, but if the Coordinating Board rejects the waiver the money would be deposited into General Revenue.

SB 389 must receive a second round of approval before moving to the House for similar consideration and HB 16 will return to the House for review.

If you have questions or comments about this or any other issue, please call toll free (866) 768-3987 or by e-mail at <u>bstouffer@senate.mo.gov</u>.

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