

# SENATE . . . . . No. 692

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## The Commonwealth of Massachusetts

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PRESENTED BY:

*Eric P. Lesser*

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to community college tuition.

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PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Eric P. Lesser</i>	<i>First Hampden and Hampshire</i>	
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>1/30/2017</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>1/31/2017</i>

# SENATE . . . . . No. 692

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By Mr. Lesser, a petition (accompanied by bill, Senate, No. 692) of Eric P. Lesser, Sal N. DiDomenico and Brian M. Ashe for legislation relative to community college tuition. Higher Education.

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## The Commonwealth of Massachusetts

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In the One Hundred and Ninetieth General Court  
(2017-2018)  
\_\_\_\_\_

An Act relative to community college tuition.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 15A of the General Laws, as so appearing in the 2014 edition, is  
2 hereby amended by adding the following Section after 15F:-

3           Section 15G. Massachusetts Workforce Opportunity Scholarship

4           Section 1. Definitions.

5           As used in this section, the following words shall have the following meanings:-

6           (1) "Continuous enrollment," a student will continue coursework from semester to  
7 semester

8           (2) "Eligible postsecondary institution" includes: Berkshire Community College, Bristol  
9 Community College, Bunker Hill Community College, Cape Cod Community College,  
10 Greenfield Community College, Holyoke Community College, Massachusetts Bay Community  
11 College, Massasoit Community College, Middlesex Community College, Mount Wachusett

Community College, Northern Essex Community College, North Shore Community College, Quinsigamond Community College, Roxbury Community College and Springfield Technical Community College;

(3) "Full-time student," a student who is enrolled in a minimum of twelve semester hours;

(4) "Gift aid," any public or private scholarship awarded to a student before applying for and aside from the Massachusetts Workforce Opportunity Scholarship

(5) "OSFA," the "Massachusetts Office of Student Financial Assistance"

Section 2. OSFA shall administer the Massachusetts Workforce Opportunity Scholarship program for students seeking an associate's degree, certificate or diploma from an eligible postsecondary institution under the following terms and conditions:

(1) To be eligible for the scholarship a student shall be admitted to, and enrolled full-time in, an eligible postsecondary program within five years following graduation, not including time spent in the United States Armed Forces, from an eligible high school in Massachusetts, or completion of high school as a Massachusetts home school student, or obtaining a GED® or HiSET® diploma. Enrollment exceptions may be made for extenuating circumstances as provided in rules and regulations promulgated by OSFA;

(2) Students applying for the scholarship shall complete the Massachusetts Workforce Opportunity Scholarship application for their initial year of enrollment in accordance with the schedule determined by OSFA. Students shall complete the free application for federal student aid (FAFSA) each academic year in which they seek to receive the Massachusetts Workforce Opportunity Scholarship;

(3) To continue to receive a Massachusetts Workforce Opportunity Scholarship at an eligible two-year or four-year postsecondary institution, a student shall maintain a minimum cumulative grade point average of 2.0 as set forth in the rules promulgated by OSFA;

(4) Scholarship recipients shall participate in mentoring and community service programs under rules and regulations promulgated by OSFA. OSFA shall develop the selection and renewal criteria for students and shall have the authority to work with outside organizations to develop the most effective means for delivering the scholarships. In selecting outside organizations for participation in the Massachusetts Workforce Opportunity Scholarship program, OSFA shall give preference to locally established entities that meet designated standards specified by the program's promulgated rules and regulations;

(5) A Massachusetts Workforce Opportunity Scholarship at a Massachusetts public two-year postsecondary institution shall be the cost of tuition and mandatory fees at the eligible postsecondary institution attended less all other gift aid. Gift aid shall be credited first to the student's tuition and mandatory fees;

(6) Except for a medical or personal leave of absence, as approved by an eligible postsecondary institution, a Massachusetts Workforce Opportunity Scholarship student shall maintain continuous enrollment at an eligible postsecondary institution. A Massachusetts Workforce Opportunity Scholarship student who has an approved medical or personal leave of absence from an eligible postsecondary institution may continue to receive the scholarship upon resuming the student's education at an eligible postsecondary institution so long as the student continues to meet all applicable eligibility requirements. The sum of all approved leaves of absence shall not exceed six (6) months;

(7) A student shall be eligible for the Massachusetts Workforce Opportunity Scholarship until the occurrence of the first of the following events:

(A) The student has earned a diploma or associate's degree; or

(B) The sum of the number of years the student attended a postsecondary institution, exclusive of approved leaves of absence, equals two and one-half (2.5) years from the date of the student's initial enrollment at an eligible postsecondary institution; and

Section 3. OSFA and the Massachusetts Department of Higher Education shall provide assistance to the general court by researching and analyzing data concerning the scholarship program created under this part, including, but not limited to, student success and scholarship retention. OSFA shall report its findings annually to the education committee of the senate and the joint education committee of the Senate and House of Representatives by March 15.

Section 4. The Auditor of the Commonwealth shall review and study the Massachusetts Workforce Opportunity Scholarship program to determine the effectiveness of the program. The study shall be done in the third year of the program and every four (4) years thereafter. The auditor shall report the findings and conclusions of the study to the President of the Senate and the Speaker of the House of Representatives, and the members of the joint education committee of the Senate and the House of Representatives.

Section 5. The OSFA board of directors shall appoint a special advisory committee comprised of representatives from existing college access programs in the state. The committee shall take steps necessary to eliminate barriers to access to scholarships and hold mentoring organizations to the highest standard in serving the students receiving the scholarship. Members of the committee shall serve without compensation.

Section 6. OSFA is authorized to promulgate rules to effectuate the purposes of this act, including the determination of student eligibility and for the distribution of funds appropriated for scholarships under the program. Such rules shall include adjustments to scholarship amounts and student eligibility in the event that net proceeds from the trust account established under this section are insufficient to fund fully the Massachusetts Workforce Opportunity Scholarship program.

SECTION 2. Chapter 10 of the Massachusetts General Laws, as appearing in the 2014 General Edition, is hereby amended by adding the following section after Section 35ZZ:

Section 35AAA: The Massachusetts Workforce Opportunity Scholarship endowment fund

(a) The Massachusetts Workforce Opportunity Scholarship endowment fund shall be established and funded under the following terms and conditions:

(i) This fund shall be an irrevocable trust that the state treasurer shall administer. The attorney general and reporter shall approve the terms of the trust instrument. The trust shall consist of the Massachusetts Workforce Opportunity endowment account and the Massachusetts Workforce Opportunity Scholarship special reserve account;

(ii) The trustees of the trust shall be as follows: the governor, or a member of the governor's cabinet or a cabinet level staff member who is designated by the governor; the state treasurer; the state auditor; the commissioner of higher education; the secretary of administration and finance; the chair of the ways and means committee of the house of representatives; the chair of the ways and means committee of the senate; and one (1) member appointed by the governor who shall serve at the pleasure of the governor;

(b) The state treasurer shall serve as the chair of the trustees and shall preside over all meetings and proceedings of the trustees;

(c) The trust may invest in any security or investment in which the Massachusetts State Board of Retirement is permitted to invest; provided, that investments by the trust shall be governed by the investment policies and guidelines adopted by the trustees of the trust in accordance with the provisions of this part. The state treasurer shall be responsible for the investment and reinvestment of trust funds in accordance with the policies and guidelines established by the trustees;

(d) The initial deposit shall constitute the principal of the trust. Subsequent transfers to the trust and trust income, as defined in this section, shall not increase, or constitute an addition to, the principal of the trust, but shall be placed in the Massachusetts Workforce Opportunity Scholarship special reserve account provided in subsection (g);

(e) The principal of the trust shall not be expended for any purpose. Trust income shall be expended only to fund the Massachusetts Workforce Opportunity Scholarship program and pay expenses incurred in administering and investing the trust assets. Trust income means the income from the trust's investment portfolio from whatever source derived, including, but not limited to, interest, dividends, and realized capital gains or losses;

(f) Any trust income not allocated or distributed to the beneficiaries of the Massachusetts Workforce Opportunity Scholarship program shall be maintained in a special reserve account and may be subject to future allocations and distributions in accordance with this section;

(g) Any funds transferred for the Massachusetts Workforce Opportunity Scholarship program, including matching funds or future appropriations made by the general assembly, shall

be placed in the scholarship's special reserve account of the trust. Unexpended funds remaining in the trust in any fiscal year, whether principal or funds in the Massachusetts Workforce Opportunity Scholarship special reserve account shall not revert to the general fund;

(h) The funds transferred to this trust may be commingled with, co-invested with, and invested or reinvested with other assets transferred to the trust. All or a portion of the trust may be invested, reinvested and co-invested with other funds, not a part of the trust, which are held by the state treasurer, including, but not limited to, assets of the Massachusetts State Retirement Board. The state treasurer shall account for such trust funds in one (1) or more separate accounts in accordance with this section and other law;

(i) Notwithstanding any provision of the law to the contrary, all funds placed in the Massachusetts Workforce Opportunity Scholarship special reserve account shall be available for allocation and distribution as authorized herein only to the extent that funds are available in the Massachusetts Workforce Opportunity Scholarship special reserve account, and the state shall not be liable for any amount in excess of such sum. All requests for withdrawals for the payment of program funding that are presented to the state treasurer shall be used only to fund the Massachusetts Workforce Opportunity Scholarship program. Such requests for withdrawals shall not be commingled with requests for withdrawals presented to the state treasurer for any other purpose, and the individual or entity requesting the withdrawal of funds shall attest to the same upon presentation of the request for withdrawal to the state treasurer; and

(j) The provisions of the irrevocable trust are provided in this section, but the trust shall not include the provisions contained in other subsections of this act, which shall be subject to amendment by legislative enactment.