

TICUA Policy Update ***April 20, 2006***

Lottery Bills

Lottery bills are starting to move in both the House and Senate. It is the desire of the Education Committee Chairs to close the committees within the next two weeks.

SENATE: Senate Education Chair Jamie Woodson gave notice that her committee will attempt to close next week. It is the desire of Woodson to take up all the lottery bills during next week's two hour scheduled hearing.

HOUSE: House Education Chair Les Winningham has chosen to create a lottery scholarship omnibus bill to carry nearly all of the other lottery bills. The omnibus bill (HB2811) currently contains provisions to increase the scholarship amounts, allow students of religious workers living overseas to become eligible, and enables students graduating high schools from all out-of-state contiguous counties to be eligible. HB 2809, allowing foster care students to use a more robust lottery scholarship at TICUA member colleges and universities, passed the committee without opposition.

Teacher Education Programs

The Tennessee Department of Education will begin encouraging college and university teacher education programs to require teacher competence in reading instruction for elementary education majors. The bill was softened from "require" to "encourage" by an amendment. The bill is expected to pass the House today and be on the Senate floor sometime next week. (SB3038/HB2973)

TSAA Distribution Studied

Dr. Robert Ruble of the Tennessee Student Assistance Corporation (TSAC) has appointed a committee to study and suggest ways to improve the delivery of the Tennessee Student Assistance Award (TSAA). This past week members of the study committee met with financial aid directors in Franklin, Tennessee.

During the meeting it was suggested that that committee consider treating the TSAA like the Federal Campus Based Aid programs. Essentially, this would provide a campus with a spending level authorization based on an average of past expenditures. The authorization would be given in January and would allow aid officers to award the funds throughout the winter into the summer. Payment rosters would be due to TSAC in mid-summer and payment would be made to students' accounts prior to the Fall semester. TSAC would set broad parameters on awarding the funds to eligible Tennesseans.

There are other proposals being considered as well. It is expected that the committee will bring their recommendations to the TSAC Board during the summer Board meeting.

New Scholarship Available for Fall 2006

This past fall the Tennessee Higher Education Commission was awarded a GEAR-UP Grant by the US Department of Education. The grant's focus is to increase college participation for students from select Tennessee counties. THEC will be sending additional information to campuses within the next few weeks.

The GEAR UP TN Bridge Scholarship is a supplementary scholarship designed to give GEAR UP TN students the added financial boost they might need to make the transition from high school to postsecondary education. The scholarship may be used for any freshman year summer and regular school year tuition at any eligible institution of higher education in the state of Tennessee.

The minimum amount of funding available to Bridge Scholars is \$750. All qualified students in the nine GEAR UP TN counties (Campbell, Cocke, Grundy, Hardeman, Johnson, Lake, Meigs, Union and Wayne) will be eligible to receive funding. Depending upon how many students access the funding, additional funding might become available.

TBC Bill Stalled in Committee

HB3479 would remove the TICUA Benefit Consortium (TBC) from supervision by the Tennessee Department of Commerce and Insurance (DOI) and would ensure that the TBC is solely regulated by the Federal Department of Labor. The bill would also restore the tax-exempt status of the TBC.

The bill is currently held up in the House Industrial Impact Committee. The DOI has expressed their opposition to the bill on the grounds that the employees covered by the TBC would not have state level recourse for complaints. They have also noted that the tax-exemption would cost the state over \$250,000 per year in lost revenue.

TICUA has argued vigorously for the bill citing the TBC's desire to be regulated by the Federal agency that is familiar with ERISA plans like the TBC and the need to place all employee contributions into covering health claims rather than state taxes.

The Committee deferred action for two weeks.