

LFD COMMENT The executive proposal is structured to provide at least one grant award of \$1,000 per year for one student at each of the approximately 180 high schools in Montana. In addition, there would be 100 awards for students from any high school who pursue a two-year degree in a health sciences field and 220 additional awards for students from any high school who pursue a two-year degree in a technology or technical field.

The precise criteria and definitions for these grant awards would be developed by an advisory council to the Board of Regents, with members appointed by the Governor.

The grants are restricted to Montana resident students who attend any public postsecondary school in Montana in two-year degree programs. The grants are to be awarded for both years of postsecondary study.

LFD ISSUE Although the executive proposal would take two years of operations to reach the expenditure target of \$1.0 million per year (the program targets incoming freshman students for the two-year grant awards), the executive budget would fully fund the program for \$1.0 million in both years of the biennium. It would only be possible to expend \$.50 million in this program during FY 2006, so that approving this executive proposal as presented would result in a \$.50 million surplus.

- Therefore, the legislature may want to consider:
1. Decrease the appropriation for FY 2006 by \$.50 million.
 2. Appropriate funds for the proposal as presented but restrict the \$.50 million surplus in FY 2006 to another need-based student assistance program as a one-time-only appropriation (e.g. Baker Grants or Montana Higher Education Grants)
 3. Appropriate funds for the proposal as presented, which would essentially allow the Board of Regents to expend these funds at their discretion

NP 102 – Best and Brightest Program - The executive budget increases general fund \$3.0 million in the 2007 biennium for merit-based (criteria based upon student achievement) student assistance grants for students who attend four-year and two-year degree programs of the Montana University System (including educational units, community colleges, and tribal community colleges). The program would be administered by the Office of the Commissioner of Higher Education (OCHE).

Best and Brightest Scholarship/Grant Program						
Type of Grant	Annual Scholarships	Award Per Student*	2007 Biennium		2009 Biennium	
	Awarded		FY 2006	FY 2007	FY 2008	FY 2009
4 - Year Education	180	\$ 1,000	\$ 180,000	\$ 360,000	\$ 540,000	\$ 720,000
Additional Merit Based	40	2,000	80,000	160,000	240,000	320,000
2 - Year Education	<u>250</u>	<u>1,000</u>	<u>250,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Total			<u>\$ 510,000</u>	<u>\$ 1,020,000</u>	<u>\$ 1,280,000</u>	<u>\$ 1,540,000</u>

* Each student award is for \$1,000 per year for each year of the two or four-year degree program