

Higher Education and Employment Advancement Committee

JOINT FAVORABLE REPORT

Bill No: HB-5158 / [Bill Status](#) / [Public Hearing Testimony](#)

Title: AN ACT PROHIBITING SCHOLARSHIP DISPLACEMENT.

Vote Date: 3/12/2026

Vote Action: Joint Favorable Substitute

PH Date: 2/17/2026

File No.:

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SPONSORS OF BILL:

Rep. Eilish Collins Main, 146th Dist.
Rep. Corey P. Paris, 145th Dist.
Rep. Laurie Sweet, 91st Dist.

Rep. Sarah Keitt, 134th Dist.
Rep. Anne M. Hughes, 135th Dist.
Rep. Kadeem Roberts, 137th Dist.

REASONS FOR BILL:

The reason for the bill is to regulate the practice of scholarship displacement at institutions of higher education in the state of Connecticut. The practice of reducing an institutions level of financial aid originally promised to a student based on external scholarships past the need of a student in higher education has left many students with less funding than they had bargained for, causing them to have to deal with financial stressors of collegiate life in a more precarious fashion. This bill would mandate that institutions of higher education does not displace external scholarships unless their financial aid exceeds need in a transparent fashion.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

The Substitute Language for this bill adds a clause in line 12 wherein, if a student is eligible for the Roberta B. Willis Scholarship Program, pursuant to section 10a-173 of the general statutes, the institution may reduce or displace financial aid. This measure is deemed necessary to protect the Roberta B. Willis Scholarship Program dollars granted to students.

RESPONSE FROM ADMINISTRATION/AGENCY:

[John O. Maduko, Interim Chancellor, Connecticut State Colleges & Universities](#): Supports the bill claiming that it would provide more transparency during students' higher education journey.

NATURE AND SOURCES OF SUPPORT:

[Anonymous, Anonymous](#): Supports this bill claiming that personally, they went through a displacement wherein a scholarship they were promised by a university in Connecticut was included in a financial aid package which came from an employee tuition grant from their parent's employer. Upon the student's commitment to the university, they released a revised package eliminating that funding, which, if they had known such a reduction was going to happen, they would have committed elsewhere due to the financial burden they then had to endure without aid.

[C. Senecal, J. McBride, Public Policy Team, Greater Hartford Gives Foundation](#): Supports the bill based on increased transparency and allowing philanthropic dollars benefit students who are affected by the rapidly changing Federal regulatory stance on financial aid availability, especially concerning those recipients from low-income or historically marginalized communities.

[David Gabree, Director, Willington Scholarship Fund](#): Director Gabree supports this legislation claiming that it can assist students by banning such displacement in instances where the student has unmet needs which effectively makes philanthropic dollars that are relied on null and void as schools redact funding, they would have given the student. If the state enacts these policies, according to the Director, the bill could act as a magnet for residents of our state to stay, attend college, and remain in state post-graduation when they are assured all the funds, they earned in aid from all sectors are granted to them.

[Alexandra Ganim, Licensed Master Social Worker](#): Supports this legislation based on protections of transparency and financial affordability which encourages students to learn and work in Connecticut during and after college. Especially when it comes to social workers, Ganim reiterates that there is a growing need for such professionals, and with more affordable means for gaining degrees, the gap will be filled by graduates who stay in the state and enhance our workforce pipeline.

[Leonard Kemp, Community Member](#): Supports this legislation claiming that college students from lower income or historically disenfranchised communities rely on every dollar of financial aid they can receive, and by eliminating the displacement of aid past financial need, it offers them all the funds they are entitled to. Thus, by recognizing and providing a guideline for respecting private philanthropic aid will increase transparency and encourage more state-private sector collaboration in the future.

These sentiments of support related to bosting state-private sector collaboration and realization of every dollar of aid a student is entitled to is shared by:

[Charles Presbury](#)

[Mona Lucas, Assistant Vice President for Enrollment, University of Connecticut](#): Supports this legislation claiming that by eliminating the practice of aid displacement, the private-public aid structure can be reinforced and create a more affordable path forward for students in higher education. Lucas states that UConn already practices a policy wherein no private or outside funding for a student will be displaced unless it exceeds the Estimated Cost of Attendance,

which follows this proposed bill's language. When this case presents itself, the university will begin reducing aid funds at the least desirable source first, like federal student loans.

[Paulina McConnell](#): Supports this legislation claiming that, in her experience, displacement of student aid has directly affected her in the form of reducing a \$20,000 outside scholarship to only \$3,500 removed from her tuition. To students like McConnell, this practice of displacement causes great hardship as they attend university. By reducing their aid, many cannot afford to even attend due to lack of funds from outside influences and family situations, which, if they received the total amount of aid granted to them, they could cover with said funds.

[Elaine Mintz, Vice President of Strategy, External Relations, Fairfield County's Community Foundation](#): Supports this legislation as they have experienced net positive impacts on students who mainly use their funds to offset the cost of university. When pressed for comment, 23% of 19 for and non-profit universities in CT, according to the organization's research had no publicly available policy on displacement, causing confusion for students as they try to figure out how much money they will be receiving in aid. Mintz also suggests two articles of substitute language to the bill. One, that it be clarified that institutions may only reduce aid when non-loan sources exceed need. And two, that loans be reduced before grants to assure affordability is maintained as by reducing loans first it lessens the debt burden on students.

[Diane Urban](#): Supports this legislation claiming that by providing our college students all dollars they earned it would lower financial costs on them and boost achievement in educational pursuits. By reducing stress, debt, and attrition, these students would thrive, according to Urban, rather than must worry about which part of their aid will be reduced or eliminated by their universities.

NATURE AND SOURCES OF OPPOSITION:

[Matthew Hyde, Dean of Administrations, Trinity College](#): Opposes this bill claiming that specifically, "In administering aid, Trinity's current policy is that we do not reduce grant or scholarship aid unless a student's external scholarship will push total aid over the College's cost of attendance." With Federal aid and institutional adversities related to funding fluctuations, Hyde believes this bill would negatively impact students as institutions increase costs. Hyde also claims this bill would cause stress, less flexibility, changes that many institutions cannot maintain economically, and "Challenge policy re: meeting 100% of calculated/demonstrated need with institutional resources."

[Karissa Peckham, Dean of Admissions, Financial Aid, Quinnipiac University](#): Opposes this bill claiming that in effect, elimination of displacement would hamper university's ability to administer financial aid in an equitable fashion based on student need. By adding late external dollars of aid into a student's aid package, their need is reduced, and hence, they become "over awarded" as need is exceeded by aid. If forced to keep funding these students at pre-adjustment numbers, aid dollars from the institution cannot go to more needing students and given the fickle nature of federal and state funding streams to universities, such a burden would be untenable, according to Peckham, by institutions writ large.

[Kathrine Presutti, Executive Director of Student Financial Aid, University of Hartford:](#)

Opposes this bill claiming that such a measure, in the current uncertainty of federal loans and grants, forces university provided aid to be the backbone of many student's aid packages. By eliminating displacement, these universities will not be able to, according to Presutti, fund students in an equitable fashion. In addition, Presutti claims that displacement is very rare at the University of Hartford, which regularly encourages students to apply to external aid. Yet in the rare case that displacement happens, the student in question is notified and debt causing loans and other aid is reduced first at the beginning of a semester to reduce any multiple reallocations of funds and confusion.

[Yale University:](#) Opposes the current verbiage of the bill. The university applauds the efforts of the committee, claiming that affordability is necessary for student success, but by eliminating displacement of aid many students may not be able to be funded. These measures would burden institutions inordinately, drawing funds from other areas of aid to fund all last dollar amounts of aid, which disadvantages many students who rely on institutional aid for most of their funding. Hence, the university urges caution and protected institutional flexibility when it comes to dispersion, allowing them to align aid to financial need rather than blanket acceptance of all external dollars without necessary adjustment.

[Jennifer Widness, President, Connecticut Conference of Independent Colleges:](#) Opposes this bill as institutions must align with federal law indicating that aid is distributed equitably to all individuals. If aid from outside grants exceeds need, institutions are forced to displace excess money as it would limit institutional flexibility. As state and federal loans and grants are not guaranteed given the new federal budget putting Pell grants etc. at risk. With no real knowledge as to what will be cut until summer, according to Widness, such a measure by the state would be shortsighted as by limiting institutional flexibility, dealing with any reduction in federal grant and loan ability would be detrimental to many students who rely on said aid which would therefore not be able to be matched by their university.

Reported by: Tom Atwood

Date: 3/18/2026