

Tricia Coates
Vermont State Colleges

Summary:

- It is time to restrict portability of the Vermont State Grant to continue to serve students while keeping limited public higher ed dollars in state - to be used by students at any Vermont public or independent college or university.
- We appreciate the supporters of H. 423 who are raising this question, but there are problems with this bill: namely the restriction of the grant for public institutions only, the lack of consideration for students currently receiving the benefit, and the lack of attention paid to neighboring states that may provide programs unavailable in Vermont.
- The VSC proposes a legislative study committee to propose a timely and workable transition to restricted portability, not to study whether or not to restrict it, but to bring back a detailed and thoughtful plan to only allow public dollars to travel to out of state institutions of higher learning when there is a specific, clear, and convincing reason to do so.

First, the importance of the Vermont State Grant cannot be overstated. The Legislature's commitment to this funding has helped tens of thousands of Vermont students go to college. In many cases, the grant has made the difference in a decision about whether or not students can and will go to college.

At a time of limited state funding for public higher education, state expenditures should be maximized. With restricted portability, the Vermont State Grant program could be leveraged to increase affordability for Vermont students (through a larger grant) and to strengthen Vermont institutions (through increased enrollment) simultaneously.

The Vermont State Colleges are the access institutions for most Vermonters who will pursue higher education. More than half of our 12,000 students are first-generation college students. While it is likely many of the students who would have received VSAC grants to attend out of state colleges would still go to college out of state, some will change their plans and attend an in-state school. Higher enrollments, potentially driven by restrictions on the use of the State Grant, will help build strength at our institutions. Higher enrollments and greater affordability will help us maintain our investment in student support services that are moving the needle on retention rates, to provide upgraded equipment in our laboratories that prepare our students for jobs, to continue to offer the breadth of programs across the system. You will hear the word "equity" to describe what a portable Vermont State Grant might offer a qualified Vermont student who wants to study out of state. Equity is best provided for by making sure there are strong, in-state institutions that Vermonters can access.

Vermont is an outlier as the only state with unlimited portability of its state grant program. 35 states do not allow portability at all; many of the remaining states are either ending or further limiting portability. Our neighbor to the East, NH, does not have a grant program. Our

neighbor to the west, New York, does not permit portability of grant funds to Vermont. Vermont would be following the lead of other states that are moving to restrict their state grant programs, such as Connecticut, which is ending portability while grandfathering existing grant recipients.

Even with restricted portability, Vermont students would still have access to specialized programs of study at public colleges in New England that our colleges do not offer. The New England Board of Higher Education (NEBHE) has identified 300 programs available to Vermonters in their Regional Student Program Tuition Break (RSP) program at a substantial tuition discount. For its FY2014 \$84,000 NEBHE fee, the State of Vermont accessed \$3,349,988 in savings for 619 Vermont students and \$9,676,406 in tuition revenue from 678 students coming in to Vermont public institutions.

Briefly, I want to dispel the notion that going to college in-state means a student is “stuck in Vermont” and that somehow their experience is incomplete. Each of the Vermont State Colleges has a host of out-of-state or out-of-country learning opportunities that our students take full advantage of. Whether it is a Castleton State College faculty-led course in Cuba on Cuban history, culture and music, a year at one of 200 partner colleges around the country through the National Student Exchange at Johnson State College, or study abroad from any of our five colleges, students are encouraged and enthusiastically participate in learning opportunities out of state. I’ve submitted a document listing these opportunities.

Existing grant recipients who are attending school out of state, or who expect to in the fall with the support of the Vermont State Grant, should be held harmless. Grant recipients shouldn’t be restricted to attending a public institution only, and in this we agree with our colleagues at AVIC.

However, the shortcomings in this bill should not distract the conversation about portability. A review of letters submitted in opposition to the bill by several presidents of independent colleges in Vermont express concern about the provision limiting the Grant to just public institutions. You will note those letters do not oppose restrictions on portability generally.

Changing portability should be undertaken carefully. We encourage the Legislature to direct a study committee clearly charged with restricting portability in state, but working out details related to grandfathering existing beneficiaries, assuring access to programs that may not be offered in Vermont but may be offered close to our borders.