

**Testimony of Beth Walsh, President, Vermont State Colleges United Professionals, AFT Vermont
to Senate Education Committee, January 19, 2018**

I. Lack of State Support for Public Higher Education:

A. There has been a consistent decline in state support for public higher education in Vermont since 1980. Vermont currently ranks 49th out of 50 states in terms of state support for higher education. This lack of state support means that our Vermont students pay one of the highest in state tuitions in the country and that they graduate with more student loan debt on average. As one of my students Lynn Castro put it we have set our students up for a debt sentence that limits their future prospects.

B. There seems to be a disconnect in Vermont; we have one of the highest high school graduation rates in the country but a full 40% do not go on to any form of post-secondary education. I can't help but think that the high cost of public higher education contributes to this. To me this seems short sighted because of the tremendous good served by public higher education.

II. Student Assistance vs. Support for Public Colleges and University:

A. State funding in the form of student assistance: The problem of low state funding for higher education is compounded by the fact that a significant percentage of funding by the state is devoted to student aid which means even less funding for the state's public colleges and university.

1. Almost a quarter of state funding is provided in the form of student aid. Vermont ranks fourth nationally in terms of state funding in the form of student aid, but the three states that provide more in student aid (South Carolina, Tennessee and Pennsylvania) provide much more in overall funding for higher education.

2. So if you take this emphasis on student assistance rather than funding for public colleges and universities, Vermont ranks lowest in state support for higher education by any measure.

B. State aid sent out of state: This lack of support or support in the form of student assistance is exacerbated even more when you take into consideration that Vermont sends a significant portion of its state aid out of state. So this combination of the very low appropriation for higher education combined with a substantial portion of that meager appropriation going out of state has been devastating for Vermont's public colleges and universities. Most other states that allow state funds to go out of state have reciprocity agreements where they will allow their students to take state resources out of state or to particular institutions only if those states and institutions agree to the same. Vermont is one of only two states to have almost totally unrestricted portability. Only Rhode Island and Vermont, allow state grant awards to go to any accredited U.S. postsecondary institution in any U.S. state or territory. This model of distributing student assistance insures higher education for some at the expense of affordable public higher education for all. Research also tells us that students who attend college out of state are more likely not to return home, so funding out of state institutions is causing a brain drain here in Vermont.

C. In 2011-2012 for example, Vermont spent \$5.5 million on need based grants to students attending out of state institutions.

D. Limiting this practice of providing student assistance to out of state institutions should be limited to schools covered by reciprocity in the use of aid.

E. According to VSAC data we also know that students receiving grants who go out of state are, on average, from families with more resources than students from families receiving grants who attend school in state. The value of their grant averaged less than \$1200 per student in 2014, which speaks to it having a relatively small effect on the enrollment decision.