

1 TO THE HONORABLE SENATE:

2 The Committee on Education to which was referred Senate Bill No. 257  
3 entitled “An act relating to miscellaneous changes to education law”  
4 respectfully reports that it has considered the same and recommends that the  
5 bill be amended by striking out all after the enacting clause and inserting in  
6 lieu thereof the following:

7 \* \* \* Portability \* \* \*

8 Sec. 1. FINDINGS

9 The General Assembly finds that:

10 (1) While Vermont has one of the highest secondary school graduation  
11 rates in the United States, it persistently trails the rest of the nation in the  
12 percentage of Vermont high school graduates proceeding directly to college.

13 (2) Vermont ranks second to last in the nation for affordable education,  
14 according to the Vermont Community Foundation. The rising costs of higher  
15 education have been outpacing Vermont family income for years, and the  
16 average student loan debt among Vermonters is one of the highest in the  
17 nation.

18 (3) Vermont State appropriations to its public colleges and universities,  
19 per capita, are well below the national average. Low levels of State support  
20 mean higher levels of institutional costs covered by tuition, increasing the  
21 financial burden on Vermont students and their families.



1 Sec. 3. 16 V.S.A. chapter 87, subchapter 3 is amended to read:

2 Subchapter 3. Incentive Grants

3 § 2841. ESTABLISHMENT; RULES

4 (a) As used in this subchapter, the term “eligible postsecondary education  
5 institution” means an approved postsecondary education institution that  
6 operates primarily or exclusively:

7 (1) in Vermont;

8 (2) outside of Vermont but within 25 miles of the Vermont border; or

9 (3) in a state that has executed a reciprocity agreement with Vermont.

10 (b) A need-based grant program is hereby established to aid students who  
11 need financial assistance and:

12 (1) are pursuing undergraduate studies and ~~give~~ giving promise of  
13 completing satisfactorily a degree program; at an eligible postsecondary  
14 education institution; or who

15 (2) have been accepted for admission to an ~~approved postsecondary~~  
16 ~~education~~ eligible postsecondary education institution for undergraduate  
17 studies.

18 (c) The Board may establish rules, regulations, and standards for the  
19 awards under this subchapter.

1 § 2842. ELIGIBILITY

2 (a)(1) To qualify for an incentive grant for the first year of undergraduate  
3 study, a student must:

4 (A) be in attendance at an ~~approved~~ eligible postsecondary education  
5 institution; or

6 (B) be accepted for admission and be enrolled as a full-time or  
7 part-time student at such an institution.

8 (2) For each year following the first year of undergraduate study, the  
9 student must have been certified by the institution attended to be in good  
10 standing and to give promise of satisfactory completion of a course of study  
11 leading to a degree or diploma.

12 (b) Any qualified person may apply for an incentive grant in addition to  
13 any other scholarship aid.

14 \* \* \*

15 § 2844. AMOUNT RECEIVED; PRORATION

16 (a) Each undergraduate student who qualifies for an incentive grant shall  
17 apply on forms provided by the Corporation. The Corporation may consider  
18 the student for an incentive grant if the student meets the need-based eligibility  
19 standards established by the Board. These standards shall give due  
20 consideration to all relevant factors affecting the student's need, including the  
21 adjusted gross income and other sources of income of the student's parents; the

1 adjusted gross income and other sources of income of a nondependent student;  
2 the assets of parents and students; the number of a parent's or nondependent  
3 student's children who are students enrolled in approved postsecondary  
4 education institutions at the same time; and any unusual circumstances that  
5 affect the family financial strength. Incentive grants shall be awarded on a  
6 rolling basis to eligible applicants based upon established need, and in total  
7 amount shall not exceed the funds made available from legislative  
8 appropriation or other sources. In no case shall a student's award be larger  
9 than that needed to attend the ~~approved~~ eligible postsecondary education  
10 institution of the student's choice.

11 (b) The Corporation may prorate incentive grants on the basis of semesters,  
12 other recognized portions of a school year, or course load.

13 (c) Vermont resident students enrolled at the Medical College of the  
14 University of Vermont or enrolled in a program offered by an eligible  
15 postsecondary education institution leading to the degree of Doctor of  
16 Veterinary Medicine shall be eligible to apply for an incentive grant and shall  
17 be subject to the provisions of subsection (b) of this section. In addition,  
18 veterinary students shall be eligible for grants not to exceed twice the amount  
19 of the average grant award made to full-time undergraduate students in the  
20 previous year under subsection (a) of this section.

21 \* \* \*

1 § 2846. NONDEGREE GRANTS

2 (a) The Corporation may establish grant programs for residents pursuing  
3 nondegree education and training opportunities who do not meet the definition  
4 of student in subdivision 2822(3) of this title, and who may not meet the  
5 requirements of this subchapter. Nondegree grants may be used at ~~institutions~~  
6 an institution that are is not an approved postsecondary education institutions  
7 institution, provided the institution operates primarily or exclusively;

8 (1) in Vermont;

9 (2) outside of Vermont but within 25 miles of the Vermont border; or

10 (3) in a state that has executed a reciprocity agreement with Vermont.

11 (b) The Corporation may adopt rules or establish policies, procedures,  
12 standards, and forms for nondegree grants, including the requirements for  
13 applying for and using the grants and the eligibility requirements for the  
14 institutions where the grants may be used.

15 Sec. 4. 16 V.S.A. chapter 87, subchapter 4 is amended to read:

16 Subchapter 4. Honor Scholarships

17 § 2851. ESTABLISHMENT

18 Vermont Honor Scholarships are hereby established for secondary school  
19 seniors who plan to attend an approved postsecondary education institution  
20 that operates primarily or exclusively:

21 (1) in Vermont;



1 primarily or exclusively in a location that is more than 25 miles from the  
2 Vermont border and the state in which the institution operates has not executed  
3 a reciprocity agreement with Vermont, provided that the student meets all  
4 other requirements in 16 V.S.A. chapter 87, subchapter 3.

5 (2) A resident may qualify for a nondegree grant under 16 V.S.A.  
6 § 2846 in order to pursue a nondegree education and training opportunity at an  
7 institution outside Vermont if he or she began pursuing that opportunity on or  
8 before July 1, 2018, even though the institution operates primarily or  
9 exclusively in a location that is more than 25 miles from the Vermont border  
10 and the state in which the institution operates has not executed a reciprocity  
11 agreement with Vermont, provided that the resident meets all other  
12 requirements in 16 V.S.A. § 2846.

13 (3) A student may be awarded a Vermont Honor Scholarship under  
14 16 V.S.A. chapter 87, subchapter 4 if, on or before July 1, 2018, he or she has  
15 enrolled in an approved postsecondary education institution, even though the  
16 institution operates primarily or exclusively in a location that is more than 25  
17 miles from the Vermont border and the state in which the institution operates  
18 has not executed a reciprocity agreement with Vermont, provided that the  
19 student meets all other requirements in 16 V.S.A. chapter 87, subchapter 4.

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1 independent school meeting education quality standards, to be selected by the  
2 parents or guardians of the student, ~~within or outside the State~~; or

3 \* \* \*

4 Sec. 8. 16 V.S.A. § 828 is amended to read:

5 § 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

6 A school district shall not pay the tuition of a student except to a public  
7 school, an approved independent school, an independent school meeting  
8 education quality standards, a tutorial program approved by the State Board, or  
9 an approved education program, ~~or an independent school in another state or~~  
10 ~~country approved under the laws of that state or country~~, nor shall payment of  
11 tuition on behalf of a person be denied on account of age. Unless otherwise  
12 provided, a person who is aggrieved by a decision of a school board relating to  
13 eligibility for tuition payments, the amount of tuition payable, or the school he  
14 or she may attend, may appeal to the State Board and its decision shall be final.

15 Sec. 9. TRANSITION

16 Notwithstanding Secs. 6-8 of this act, a school district may pay tuition on  
17 behalf of a student for the 2018-2019 school year to an approved independent  
18 school that is located outside of 25 miles from the Vermont border if, during  
19 the 2017-2018 school year, the student attended that school.

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1 (III) an approved independent school in Vermont ~~to which the~~  
2 ~~student's district of residence pays publicly funded tuition on behalf of the~~  
3 ~~student;~~

4 (ii) is assigned to a public school through the High School  
5 Completion Program; or

6 (iii) is a home study student;

7 \* \* \*

8 \* \* \* Vermont National Guard Tuition Benefit Program \* \* \*

9 Sec. 11. 16 V.S.A. § 2857 is added to read:

10 § 2857. VERMONT NATIONAL GUARD TUITION BENEFIT

11 PROGRAM

12 (a) Program creation. The Vermont National Guard Tuition Benefit  
13 Program (Program) is created, under which a member of the Vermont National  
14 Guard (member) who meets the eligibility requirements in subsection (c) of  
15 this section is entitled to take courses tuition free at the following educational  
16 institutions:

17 (1) the University of Vermont and State Agricultural College (UVM),

18 (2) a Vermont State College,

19 (3) a participating Vermont private postsecondary educational institution

20 that agrees with the Vermont National Guard to participate in the Program

1 under the conditions specified in subsection (b) of this section (eligible private  
2 postsecondary institution), or

3 (4) a participating institution or organization offering certificate training  
4 or continuing education programs that agrees with the Vermont National  
5 Guard to participate in the Program under the conditions specified in  
6 subsection (b) of this section (eligible training institution).

7 (b) Tuition benefit.

8 (1) A member attending UVM or a Vermont State College under the  
9 Program shall receive a tuition benefit equal to the amount of tuition charged  
10 to the member. UVM and the Vermont State Colleges shall not charge tuition  
11 under the Program in excess of its applicable resident tuition rate.

12 (2) A member attending an eligible private postsecondary institution  
13 under the Program shall receive a tuition benefit equal to the lower of the  
14 tuition rate charged by that institution to the member or the resident tuition rate  
15 charged by UVM. An eligible private postsecondary institution may charge  
16 tuition under the Program in an amount in excess of the amount covered by the  
17 tuition benefit, in which case the member shall be responsible for the excess  
18 tuition amount.

19 (3) A member attending an eligible training institution under the  
20 Program shall receive a tuition benefit equal to the lower of the tuition rate  
21 charged by that institution to the member or the resident tuition rate charged by

1 the Vermont Technical College. An eligible training institution may charge  
2 tuition under the Program in an amount in excess of the amount covered by the  
3 tuition benefit, in which case the member shall be responsible for the excess  
4 tuition amount.

5 (4) The tuition benefit provided under the Program shall be paid on  
6 behalf of the member by the Corporation, subject to the appropriation of funds  
7 by the General Assembly specifically for this purpose.

8 (5) The amount of tuition for a member who attends an educational  
9 institution under the Program on less than a full-time basis shall be reduced to  
10 reflect the member's course load in a manner determined by the Corporation  
11 under subdivision (f)(1) of this section.

12 (6) The tuition benefit shall be conditioned upon the member executing  
13 a promissory note obligating the member to repay the member's tuition  
14 benefit, in whole or in part, if the member fails to complete the period of  
15 Vermont National Guard service required in subsection (d) of this section, or if  
16 the member's benefit is terminated pursuant to subdivision (1) of subsection  
17 (e) of this section.

18 (c) Eligibility. To be eligible for the Program, an individual, whether a  
19 resident or nonresident, shall satisfy all of the following requirements:

20 (1) be an active member of the Vermont National Guard;

21 (2) have successfully completed basic training;

1           (3) be enrolled at UVM, a Vermont State College, or an eligible  
2           participating private postsecondary institution in a program that leads to an  
3           undergraduate certificate or degree, or be enrolled at an eligible training  
4           institution in a program that leads to a certificate or other credential;

5           (4) have not previously earned an undergraduate bachelor's degree;

6           (5) continually demonstrate satisfactory academic progress as  
7           determined by criteria established by the Vermont National Guard and the  
8           Corporation, in consultation with the educational institution at which the  
9           individual is enrolled under the Program;

10           (6) have exhausted any post-September 11, 2001 tuition benefits and  
11           other federally funded military tuition assistance; provided, however, that this  
12           subdivision shall not apply to Montgomery GI Bill benefits, post-  
13           September 11, 2001 educational program housing allowances, federal  
14           educational entitlements, National Guard scholarship grants, loans under  
15           section 2856 of this title, and other nontuition benefits; and

16           (7) have submitted a statement of good standing to the Corporation  
17           signed by the individual's commanding officer within 30 days prior to the  
18           beginning of each semester.

19           (d) **Service commitment.** For each full academic year of attendance under  
20           the Program, a member shall be required to serve two years in the Vermont  
21           National Guard in order to receive the full tuition benefit under the Program.

1 If a member's service with the Vermont National Guard terminates before the  
2 member fulfills this two-year service commitment, other than for good cause  
3 as determined by the Vermont National Guard, the individual shall reimburse  
4 the Corporation a pro rata portion of the tuition paid under the Program  
5 pursuant to the terms of an interest-free reimbursement promissory note signed  
6 by the individual at the time of entering the Program. For members  
7 participating in the Program on a less than a full-time basis, the member's  
8 service commitment shall be at the rate of one month of Vermont National  
9 Guard service commitment for each credit hour, not to exceed 12 months of  
10 service commitment for a single semester.

11 (e)(1) Termination of tuition benefit. The Office of the Vermont Adjutant  
12 and Inspector General may terminate the tuition benefit provided an individual  
13 under the Program if:

14 (A) the individual's commanding officer revokes the statement of  
15 good standing submitted pursuant to subdivision (c)(7) of this section as a  
16 result of an investigation or disciplinary action that occurred after the statement  
17 of good standing was issued;

18 (B) the individual is dismissed from the educational institution in  
19 which the individual is enrolled under the Program for academic or  
20 disciplinary reasons; or

1           (C) the individual withdraws without good cause from the  
2           educational institution in which the individual is enrolled under the Program.

3           (2) If an individual’s tuition benefit is terminated pursuant to  
4           subdivision (1) of this subsection, the individual shall reimburse the  
5           Corporation for the tuition paid under the Program, pursuant to the terms of an  
6           interest-free reimbursement promissory note signed by the individual at the  
7           time of entering the Program, shall be responsible on a pro rata basis for the  
8           remaining tuition cost for the current semester or any courses in which the  
9           individual is currently enrolled, and shall be ineligible to receive future tuition  
10           benefits under the Program.

11           (3) If an individual is dismissed for academic or disciplinary reasons  
12           from any postsecondary educational institution before receiving tuition  
13           benefits under the Program, the Office of the Adjutant and Inspector General  
14           may make a determination regarding the individual’s eligibility to receive  
15           tuition benefits under the Program.

16           (f)(1) Adoption of policies, procedures, and guidelines. The Corporation,  
17           in consultation with the Office of the Adjutant and Inspector General, shall  
18           adopt policies, procedures, and guidelines necessary to implement the  
19           provisions of this section, which shall include eligibility, application, and  
20           acceptance requirements, pro-ration of service requirements for academic  
21           semesters or attendance periods shorter than one year, data sharing guidelines,

1 and the criteria for determining “good cause” as used in subsection (d) and  
2 subdivision (e)(1)(C) of this section.

3 (2) Each educational institution participating in the Program shall adopt  
4 policies and procedures for the enrollment of members under the Program.  
5 These policies and procedures shall be consistent with the policies, procedures,  
6 and guidelines adopted by the Corporation under subdivision (1) of this  
7 subsection.

8 (g) Reports. On or before November 1 of each year, the President,  
9 Chancellor, or equivalent position of each educational institution that  
10 participated in the Program during the immediately preceding school year shall  
11 report to the Vermont National Guard and the Corporation regarding the  
12 number of members enrolled at its institution during that school year who  
13 received tuition benefits under the Program and, to the extent available, the  
14 courses or program in which the members were enrolled. On or before  
15 January 15 of each year, the Vermont National Guard and the Corporation  
16 shall report these data and other relevant performance factors to the Governor,  
17 the House and Senate Committees on Education, and the House Committee on  
18 General, Housing, and Military Affairs. The provisions of 2 V.S.A. § 20(d)  
19 (expiration of reports) shall not apply to the reports to be made under this  
20 subsection.

1       Sec. 12. REPEAL

2           16 V.S.A. § 2856 (educational assistance; interest free loans) is repealed on  
3       July 1, 2020.

4       Sec. 13. TRANSITION

5           (a) The benefits under 16 V.S.A. § 2856, the Vermont National Guard  
6       Educational Assistance Program, shall only be available through December 31,  
7       2018, except for a member who is, as of that date, pursuing a graduate degree,  
8       who may continue to receive a loan under the Program through June 30, 2020,  
9       provided that the member continues to satisfy the eligibility requirements of  
10       16 V.S.A. § 2857(b).

11           (b) A member of the Vermont National Guard who received a loan on or  
12       before January 1, 2019 under 16 V.S.A. § 2856 shall be entitled to the benefits  
13       under the Vermont National Guard Tuition Benefit Program if the member  
14       satisfies the eligibility criteria under that Program.

15           (c) The Corporation, in consultation with the Office of the Adjutant and  
16       Inspector General, shall adopt guidelines for participants transitioning from the  
17       Vermont National Guard Educational Assistance Program under 16 V.S.A.  
18       § 2856 to the benefits under the Vermont National Guard Tuition Benefit  
19       Program.

20           (d) If, on or before July 1, 2020, a loan provided to a Vermont National  
21       Guard member under 16 V.S.A. § 2856 has gone into repayment pursuant to

1 the terms of the loan, the member shall repay the loan in accordance with its  
2 terms unless and to the extent canceled or forgiven by the Corporation.

3 Sec. 14. EFFECTIVE DATE

4 This act shall take effect on July 1, 2018 and the tuition benefits established  
5 under the Vermont National Guard Tuition Benefit Program (Sec. 11) shall be  
6 available to eligible Vermont National Guard members enrolled in institutions  
7 under the Program starting on or after January 1, 2019.

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13 (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE