

1 H.375

2 Introduced by Representative Carroll of Bennington

3 Referred to Committee on

4 Date:

5 Subject: Education; postsecondary education; VSAC; portability

6 Statement of purpose of bill as introduced: This bill proposes to require that,
7 for the period commencing on July 1, 2019 and ending on July 1, 2024, the
8 Vermont Student Assistance Corporation award grants and scholarships solely
9 for use at Vermont postsecondary schools or at educational institutions in
10 states that have executed a reciprocity agreement with Vermont.

11 An act relating to grants and scholarships awarded by the Vermont Student
12 Assistance Corporation

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. FINDINGS

15 The General Assembly finds that:

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

19 (2) Vermont ranks second to last in the nation for affordable education,
20 according to the Vermont Community Foundation. The rising costs of higher

1 education have been outpacing Vermont family income for years, and the
2 average student loan debt among Vermonters is one of the highest in the
3 nation.

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

8 (4) Vermont is one of only two states that allows total portability of its
9 State grants and scholarships, so that Vermonters may currently use these
10 awards at any accredited U.S. postsecondary institution in any of the United
11 States. Other states, including most New England states, limit portability to
12 states with which they have reciprocity agreements. Some states do not permit
13 any portability of state grant funds.

14 (5) In 2008, according to the Vermont Student Assistance Corporation,
15 about 35 percent of grant recipients chose schools outside Vermont,
16 representing 28 percent of State grant dollars. Some of these schools are in
17 states that have a reciprocal grant policy.

18 Sec. 2. GRANT AND SCHOLARSHIP AWARDS

19 (a) Notwithstanding title 16 chapter 87, for the period commencing on
20 July 1, 2019 and ending on July 1, 2024, the Vermont Student Assistance
21 Corporation shall award grants for students pursuing a postsecondary degree

1 or a nondegree education and training opportunity or a Vermont Honor
2 Scholarship solely for use at Vermont postsecondary schools or at educational
3 institutions in states that have executed a reciprocity agreement with Vermont.

4 (b) Notwithstanding subsection (a) of this section:

5 (1) A student may qualify for an incentive grant under 16 V.S.A.
6 chapter 87, subchapter 3 if, on or before July 1, 2019, he or she is currently
7 enrolled at and attending an approved postsecondary education institution
8 outside Vermont or has accepted an offer of admission as a full-time or
9 part-time student outside Vermont, even though that state has not executed a
10 reciprocity agreement with Vermont, provided that the student meets all other
11 requirements in 16 V.S.A. chapter 87, subchapter 3.

12 (2) A resident may qualify for a nondegree grant under 16 V.S.A.
13 § 2846 in order to pursue a nondegree education and training opportunity
14 outside Vermont if he or she began pursuing that opportunity on or before
15 July 1, 2019, even though that state has not executed a reciprocity agreement
16 with Vermont, provided that the resident meets all other requirements in
17 16 V.S.A. § 2846.

18 (3) A student may be awarded a Vermont Honor Scholarship under
19 16 V.S.A. chapter 87, subchapter 4 if, on or before July 1, 2019, he or she has
20 enrolled in an approved postsecondary education institution in a state that has

1 not executed a reciprocity agreement with Vermont, provided that the student
2 meets all other requirements in 16 V.S.A. chapter 87, subchapter 4.

3 (c) This section is repealed on July 2, 2024.

4 Sec. 3. EFFECTIVE DATE

5 This act shall take effect on July 1, 2019.