



FY  
26

# Testimony before House Commerce Committee

January 23, 2025

Scott A. Giles, President and CEO  
Vermont Student Assistance Corporation



# Serving all Vermont Students

- Administers VT529, Vermont's 529 college savings plan, with 29,311 accounts worth \$673.2 million
- Provides career and education counseling to 5,901 students of all ages
- Provides financial aid and forms nights, both in person and virtually
- Administers the Vermont State Grant program for low-income Vermonters, including the Vermont Emergency Micro Grant
- Administers the 802 Opportunity Grant
- Administers a growing list of interest free workforce incentive programs
- Administers more than 140 scholarship programs worth \$13.1 million annually
- Provides \$42 million in student and parent loans to help cover the cost of education and training, plus provides comprehensive loan counseling to borrowers

# Vermont Advancement Grant

## Helping adults advance in Vermont's workforce

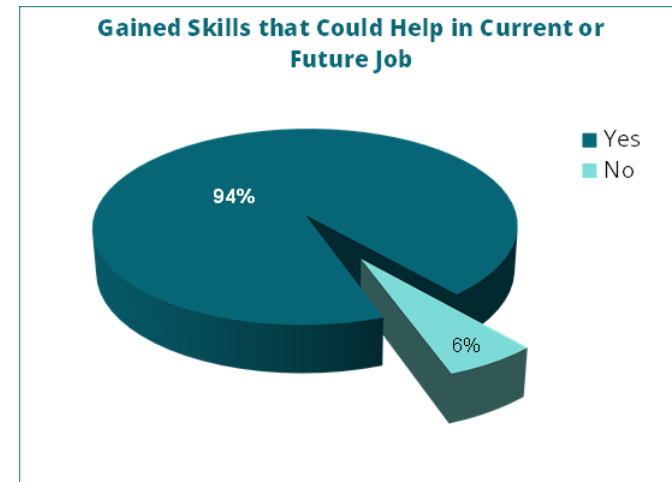
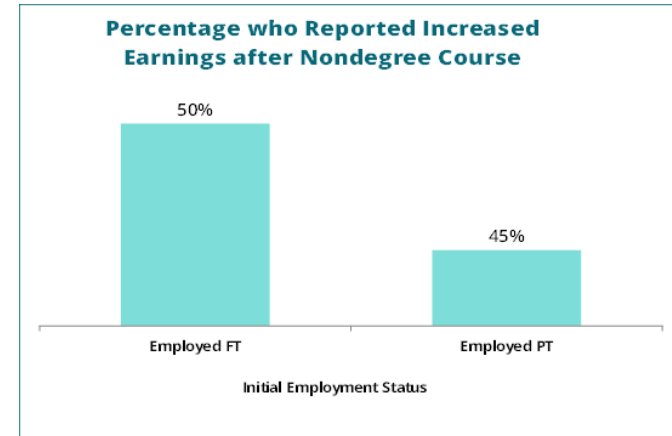
In FY24, 1,170 Advancement Grants were awarded, totaling more than \$3.7 million.

### Vermonters used their Advancement Grant:

- To pursue non-degree training and credentials.

As well as:

- Earn CDL licenses
- Obtain certification as childcare providers
- Enter healthcare professions such as LNAs and dental assistants



# Vermont Advancement Grant

The average Advancement Grant recipient is:

**35**  
**YEARS OLD**

  
**HOUSEHOLD  
OF TWO**

 Identify as  
**FEMALE**

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**\$25,456**  
AVERAGE ANNUAL INCOME

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# Vermont Trades Program

The Vermont Trades program provides an interest-free, forgivable loan that covers up to full tuition for students enrolled in industry-recognized training and certification programs that lead to careers in high-demand sectors.

- In FY23, the Vermont Trades Program disbursed \$1.08M to 163 students representing all VT counties.
- In FY24, the Vermont Trades program has disbursed \$2.59M to 242 students.

Trades	Awarded
Building Trades	17
Energy Trades	7
Industrial Trades	21
Mechanical Trades	22
Medical Trades	59
Paramedic	3
Transportation Trades	24
Bookkeeping/Accounting/Business	2
Data Analytics/Software Devel/Web Development	21
Cosmetology/Esthetics/Barbering/Nail Tech	136
Culinary	2
Design, Graphic Design and Media Communication	2
Massage Therapy	22
Teacher certification	4
Miscellaneous	7
<b>Total</b>	<b>349</b>

# Increasing Access to Higher Education

802Opportunity provides free tuition to the Community College of Vermont (CCV). Any Vermonter with a family Adjusted Gross Income (AGI) of less than \$75K per year qualifies.

**802Opportunity** opens doors for CCV students seeking:

- professional certificate programs,
- an associate degree, or
- to transfer to four-year degree programs.

**FY2024 802Opportunity** at-a-glance:

- Leverages federal and state grants
- More than 2,600 students attended CCV tuition-free





The average 802Opportunity scholar is an adult, female student enrolled part-time and pursuing an associate's degree.



379 802Opportunity students earned a credential in AY23-24

802OPPORTUNITY STUDENT DEMOGRAPHICS



73% FIRST GENERATION

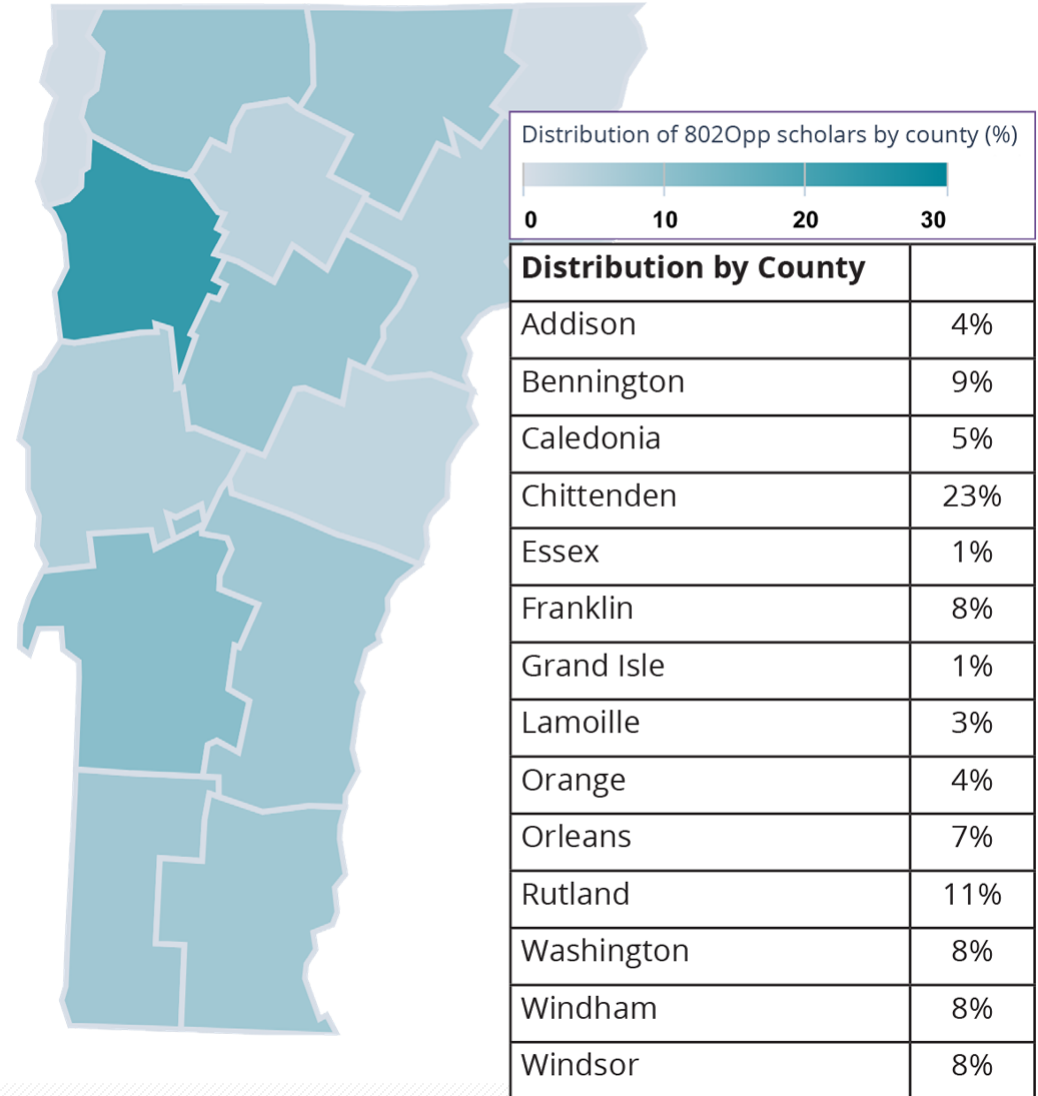


69% ADULT (25+)



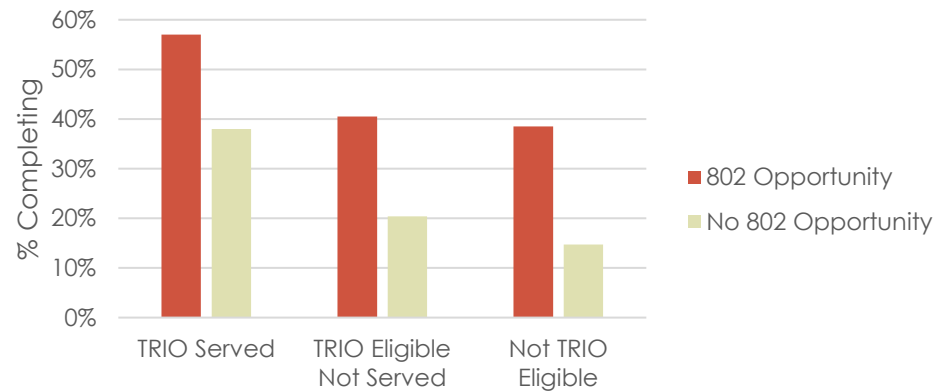
16% POC OR HISPANIC

802OPPORTUNITY SCHOLARS BY COUNTY

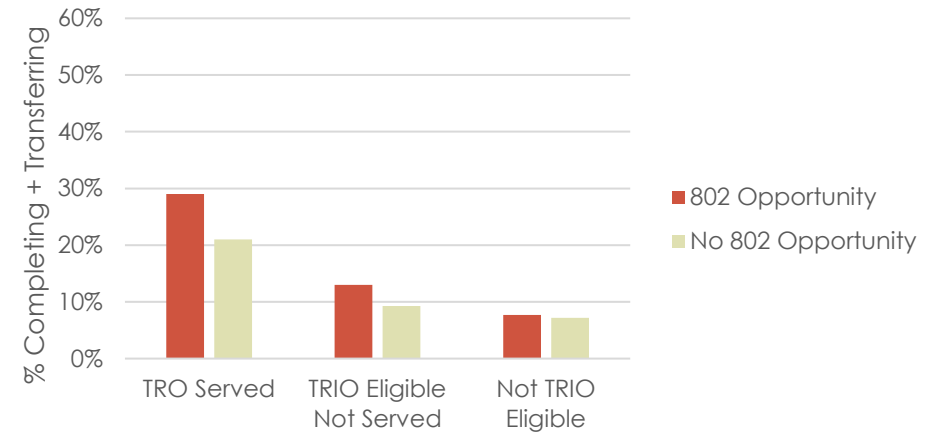


# The Success Effect of 802 Opportunity

802 Opportunity Funds Enhance the Efficacy of TRIO Support by Augmenting the 4-Year Completion Rate



Effects of 802 Opportunity and TRIO on completion + transfer outcomes





# VSAC Freedom and Unity Scholarship

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- VSAC is proposing to create a new scholarship that would provide low- and moderate-income students the ability to attend VTSU tuition and fee free.
- Modeled after the successful 802Opportunity Program, this scholarship will expand access for students pursuing four-year degrees and help strengthen enrollment, retention and graduation rates at Vermont State University.

<b>Income</b>	<b>Cost to Cover All Budgets</b>	<b>Cost to Cover Standard &amp; Online Budgets<sup>1</sup></b>
Up to \$50,000	\$3.2 million	\$1.6 million
Up to \$75,000	\$5.2 million	\$2.8 million
Up to \$100,000	\$6.7 million	\$3.8 million

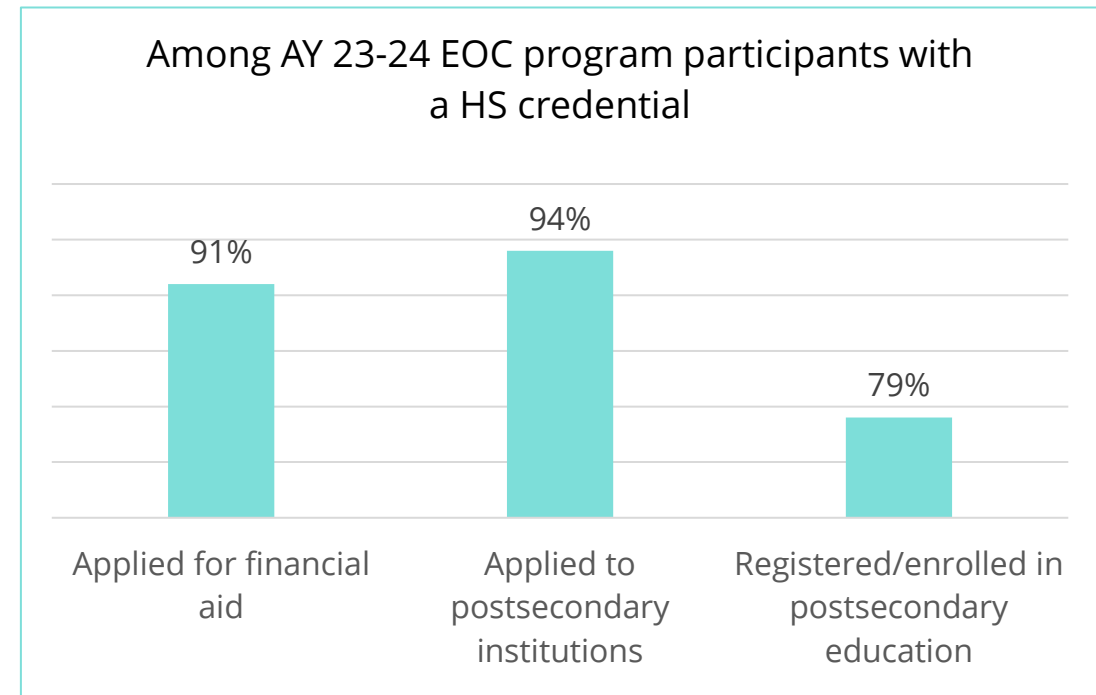
<sup>1</sup>Standard & Online excludes programs like aviation, engineering, nursing, LPN (not a complete list)

# Opening doors for adult learners

Funded by a federal **Educational Opportunity Center (EOC)** grant with VSAC match. VSAC provided targeted information and counseling services to over 1765 modest-income and/or first-generation adult Vermonters in AY23-24.

EOC supports adult Vermonters to pursue BA, AA, and credentials of their choice, including:

- Computer Coding, Software Development
- Commercial Driver's Licenses (CDL)
- Licensed Nursing Assistant (LNA)
- Medical Assistant (MA)
- Welding



# Partnership with HireAbility Vermont

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- Workshops with 9<sup>th</sup> and 10<sup>th</sup> grade students
- 4 high schools in AY 23-24, 12 high schools in AY 24-25
- Brings VSAC experience to HireAbility students.
- Brings important new expertise and experience in working with students with disabilities to Outreach and VSAC.





# Vermont Programs for High Demand Occupations

## Interest-free Forgivable Loans

- Vermont Nursing Forgivable Loan Incentive Program
- Vermont Trades Scholarship
- Vermont National Guard Tuition Benefit
- Vermont Dentist Forgivable Loan Incentive Program
- Vermont Mental Health Professional Forgivable Loan Incentive Program
- Vermont Teacher Forgivable Loan Incentive Program
- Vermont Dental Hygienist Forgivable Loan Incentive Program
- Vermont Nurse Faculty Loan Incentive Program
- Vermont Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program<sup>2</sup>

# VSAC Workforce Loans - WOLP

- Supports upskilling existing hospital staff to produce nurses.
- Employer-funded loan for the balance due for tuition, fees, and textbooks. Medical centers repay the loan while the student is enrolled and working.
- VSAC staff assist with maximizing federal and state aid, collaborate with PLOSS to issue a loan for remaining costs.
- Grew from 2 hospitals to 6 facilities (UVMMC, SVMC, Gifford, Mt Ascutney, NVRH, Cedar Hill) and from 21 nursing students to 80.



# Research & Evaluation Informing Program & Policy



RESEARCH MINUTE

## Postsecondary success among GUIDE participants

GUIDE supports students during the transition from high school to postsecondary education:



Text messaging



Help with financial aid forms



Deadline reminders



Funds for books and fees



Connection to campus resources

GUIDE students have higher rates of postsecondary enrollment and graduation:



**64%** of GUIDE students enrolled in postsecondary

Among low-income VT students\* this rate was **36%**



**44%** of GUIDE college students graduated within 4 years

Among low-income college students\* this rate was **29%**

\*Source for Vermont students' comparison data: [www.newenglandssc.org/resources/common-data-project/](http://www.newenglandssc.org/resources/common-data-project/)

GUIDE is part of VSAC's Vermont GEAR UP program that targets support to students who are first generation college going or from modest income families. Download the GUIDE report at [www.vsac.org/about/how-we-influence-policy](http://www.vsac.org/about/how-we-influence-policy)



RESEARCH BRIEF | SUMMER 2023



## The Vermont High School Class of 2022 Postsecondary Plans

### Executive Summary

Every two years VSAC conducts a survey of all high school seniors. This research brief presents findings from the Vermont Class of 2022, the most recent Senior Survey, and compares these data to that from the Classes of 2012 and 2018. This allows comparison of aspiration data from a decade ago as well as a recent class prior to the pandemic.

The purpose of the study was to gather information about seniors' post-high school plans, to determine what proportion of the class planned to pursue further education or training in the fall of 2022 and to consider changes in aspiration over time. Based on our previous research, we examined students' postsecondary aspirations through the lens of two key demographic factors: students' gender and parent educational attainment.

### These trend data demonstrate:

- a significant decline overall in students' intentions to pursue additional training or education after high school compared to prior years
- a widening of the gap in aspiration by both gender and parent education attainment since 2018
- a decline in the percentage of students reporting that their parents wished for them to continue their education. This decline differs significantly by gender and parent educational attainment and over time.

Analyses of the data for the Class of 2022 also show the effects of the COVID-19 pandemic on students' perceptions on their learning, and—for at least some students—their postsecondary plans. Lastly, we present findings about students' postsecondary plans, both those who planned to continue their studies immediately after high school and those who planned to enter the workforce.

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Research Brief  
March 2021

## SPRING ENROLLMENT PLANS DURING COVID-19

### SUMMARY

This research brief is based on data from the last in a series of surveys on the impact of COVID-19 on the postsecondary plans of undergraduate FAFSA filers in the academic year 20-21 cycle.<sup>1</sup>

Research questions included:

- What were students' plans for the spring 2021 semester?
- Did COVID-19 enrollment differ by dependency status?
- What financial impacts did COVID-19 have on them to date?

Overall, few students who applied for financial aid and took part in our survey delayed their 2020-2021 enrollment due to the pandemic. The majority of FAFSA filers surveyed in January 2021 (86%) planned to and did pursue their education plans in the 2020-2021 academic year. But the COVID-19 crisis affected many students' financial resources and may have made the postsecondary experience a difficult one. First-generation, dependent students were significantly more likely to report their parents had suffered a COVID-related financial event (63%) than dependent students from families whose parents had some level of college attainment (47%). Independent students—those who do not rely on parents for financial support – which represented about a third of those surveyed— were twice as likely to report they changed their plans about when to enroll. Independent students were also significantly more likely to report experiencing some financial burden directly associated with the COVID-19 epidemic.

Of note, the number of undergraduate FAFSA filers for the 2020-2021 cycle was down at the time we pulled our original sample (June 2020), approximately 6% lower compared to the previous year. By comparison, the number of applications filed by June 30 nationally was down 2% (National College Attainment Network). By January 2021, Vermont's FAFSA numbers were still down, but only 2% compared to the previous year. How much of this decrease in FAFSA filing was due to COVID-19 and/or other factors is unknown and is outside of the scope of this research brief. We found that first-time FAFSA filers had decreased by 9% year over year, consistent with the idea that some schools may have had trouble filling their admissions targets for first-year students for the fall of 2020. We found FAFSA filing by dependency status showed independent students slightly behind dependent students in June in number of FAFSA applications filed, but ahead of them and in the positive (3% higher than the previous year) by Jan 2021. Dependent students apply earlier (by June),

# VSAC Statewide Events

- Essential Math for College and Careers (EMC<sup>2</sup>)
- Transition and Career Conference
- Managing College Costs and Forms Nights at high schools
- College & Career Pathways
- Kingdom Career Connect
- STEM Fairs





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# Appendix A

## VSAC Services

# Vermont Nursing Workforce Incentive Loan Program

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- Nursing students receive full tuition at a VT Public Institution
- Nursing students receive up to UVM tuition at VT Private Institution or Out-of-State Institutions not to exceed actual tuition
- Agree to work in Vermont following licensure one year for each year of scholarship receipt
- Awards can be used at any accredited, federal Title IV funding eligible, Vermont or Out-of-State Institution which offer nursing degrees
- Awarded students sign a promissory note obligating them to work in Vermont in a nursing position following licensure for each year awarded or to repay the funds received if obligation is not met

## Eligible Students must:

- Complete FAFSA and State Grant application if appropriate
- Maintain good academic standing
- Can be residents and non-residents
- Attend an eligible nursing program at an in-state or out-of-state school

## Priority:

- Licensed Practical Nursing (LPN's)
- Associate Degree in Nursing
- Bachelor of Science Degree in Nursing
- Graduate Nursing Education

\*\* Preference given to students attending Vermont institutions

# Vermont Nursing Workforce Incentive Loan Program

- **Priority: LPN's, Associate Degree, Bachelor Degree, Graduate Students**

FY '24 Program	Number of Awards
LPN	65
RN	79
Associate's Degree	6
BA	85
Graduate	24
<b>Total</b>	<b>259</b>

- **Students may attend an in-state or out-of-state institution with priority given to in-state schools.**

FY '24 Institution	Number of Awards
Norwich	35
UVM	46
VTSU	105
Out of State	73
<b>Total</b>	<b>259</b>

*\*72% of awards were disbursed to Vermont institutions*

FY25 budget was \$3.289 million, the program again saw unprecedented demand and VSAC was unable to fund 340 applicants. It would have required an additional \$3.5 million to fully fund these applicants.

# Vermont Teacher Forgivable Loan Incentive

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- Student receive tuition charges by their program up to UVM's instate tuition rate
- Agree to work in Vermont following licensure one year for each year of scholarship receipt
- Awards can be used at any eligible school
- Awarded students sign a promissory note obligating them to work in Vermont as a teacher in a Vermont a public school for a minimum of one year following Licensure for each year awarded or to repay the funds received if obligation is not met

## Eligible Students must:

- Complete FAFSA and State Grant application if appropriate
- Maintain good academic standing
- Can be residents and non-residents
- Enroll in a teaching program, at an eligible school, that leads to a degree or certificate in education and a teaching license

# Vermont Teacher Forgivable Loan Incentive

Institution	FY'24 Awards	FY'25 Awards
CCV	-	1
Champlain	4	5
Middlebury	-	1
Norwich	1	4
Saint Michael's	16	25
UVM	14	60
VTSU	27	32
Out of State	12	38
<b>Total</b>	<b>74</b>	<b>166</b>

In FY25, there was no state appropriation. VSAC used the remaining carry over funding from FY24. An additional 218 applicants were not awarded.

# VSAC Student and Parent Loans

- In FY 24 VSAC issued \$42 Million in Parent and Student Loans
- VSAC borrowers saved \$195,000 in FY24 through rebates, and more than \$183 million since 1995.

Fixed student loan rates\* as of December 11, 2024

**VSAC**

4.75% – 8.57%

**Citizens**

3.99% – 15.61%

**SoFi**

3.54% – 15.99%

**Sallie Mae**

3.49% – 15.49%

4% 6% 8% 10% 12% 14% 16%

\*Annual Percentage Rate (APR)%

Lowest rates include auto debit discounts

**Before You Borrow**

To minimize borrowing (and repaying), you'll first need to calculate the costs for your education. Here's how to get started.

**7 out of 10 families need loans to cover education costs.**

+ Add up your cost of attendance  
- Subtract free aid (grants, scholarships, merit aid)  
= remaining balance to cover with savings or loans

Amount you still need to cover: \$

**Did you know:** A federal student loan is taken out in the student's name. Maximize federal student loans first because of the repayment benefits.

**Did you know:** A federal parent PLUS loan is taken out in the parent's name. Pause on accepting federal parent PLUS loans to compare interest rates with other lenders.

**Focus on Rates**

In addition to federal loans, there are private loans designed for students attending school (and their parents). These are available through banks, credit unions, and state agencies like VSAC. Each lender has its own rates, so it's important to shop and compare.

**What rate are you looking at?**

We're trained to look for the lowest rate. But, the lowest rates aren't necessarily what you'll see once you apply.

**VSAC**

Lender A  
Lender B  
Lender C

The full range will give the full picture.

Make sure you're not teased by a low rate you may not be eligible for. If the loan rate you're offered is higher than expected, stop and explore other lenders.

**Before You Apply**

**Questions to ask**

- Who is taking out the loan – parent, student or a combination?
- Do I need a cosigner?
- What monthly loan payment can I afford?
- When do I start making payments (while in school or later)?
- How long do I have to pay the loan back (loan term)?
- Is the interest rate fixed or will it change (variable)?
- Are there any fees or discounts?

Allow yourself time to compare lenders to get the best deal for your situation. You'll want to apply at least 2-3 weeks before the tuition bill is due. Although the credit approval may be quick, lenders must have your school certify loan amounts before a loan is considered complete.

Scan & learn more at [vsac.org/loans](https://vsac.org/loans)

**KNOW MORE**  
LESS TIME

# Vermont Mental Health Professional Forgivable Loan Incentive

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- **Students receive tuition charged by their program up to UVM's instate tuition rate**
- **Agree to work in Vermont following licensure one year for each year of scholarship receipt**
- **Awards can be used at an eligible school**
- **Awarded students sign a promissory note obligating them to work in Vermont in as a licensed mental health professional for a minimum of one year following licensure for each year awarded or to repay the funds received if obligation is not met**

## **Eligible Students must:**

- Complete FAFSA
- Maintain good academic standing
- Can be residents and non-residents
- Enroll in a master's degree program in one of the following fields:
  - Social Work
  - Mental Health Counseling
  - Marriage and Family therapy
  - Psychology
  - Community Mental Health Counseling
  - Clinical Mental Health
  - Forensic Mental Health
- Program must allow recipient to sit for and pass one of the following licensure exams:
  - Licensed Clinical Mental Health Counselor (LCMHC)
  - Licensed Independent Clinical Social Worker (LICSW)
  - Licensed Alcohol and Drug Counselor (LADC)

# Vermont Mental Health Professional Forgivable Loan Incentive

Institution	FY24 Awards	FY25 Awards
Goddard	6	-
Saint Michael's	6	-
UVM	18	5
VTSU	56	47
Out of State	25	1
<b>Total</b>	<b>111</b>	<b>53</b>

In FY25, there was no state appropriation. VSAC used the remaining carry over funding from FY24. An additional 365 applicants were not awarded.