



FY27 Testimony before Senate Education Committee



April 9, 2026

Tom Little

Vermont Student Assistance Corporation

VSAC's FY27 Budget Request

VSAC FY2027 budget request

VSAC requests \$27,897,494 for its base budget for FY27 need-based grant programs.

- **Funding for the core Grant Programs (base funding).** VSAC requests \$27,897,494 (\$812,548 or 3% increase from its FY26 total base appropriation) for these core State grant programs: the Incentive Grant Program, the Advancement (non-degree) Grant Program, 802 Opportunity and the Trades Forgivable Loan Program

In addition, VSAC is requesting:

- Aspirations Program—authority to use up to \$400,000 from its base appropriations to support to support the innovative career and college aspirations initiative (we currently have authority for \$300,000).
- Dual Enrollment/Early College Stipend: \$84,000 (level funding) to support low- and moderate-income student access to Dual Enrollment and Early College.
- VSAC Freedom & Unity Scholarship. We are requesting \$2,312,548 (an \$812,000 increase)

VSAC's FY27 Budget Information

VSAC Freedom and Unity Scholarship

VSAC, in partnership with the Vermont State University, has created the "Freedom & Unity Scholarship". This program currently allows students from families earning \$65,000 or less the full cost of general tuition and gives students ability to attend Vermont State University programs tuition and fee free. Reflecting our state motto, this scholarship will give low-income and lower-middle income students, some of whom will have started at CCV using 802Opportunity, the freedom to pursue the extended education and training they need to meet Vermont's critical workforce needs while targeting this support to those who have benefited least from our post-pandemic economy. This program is an important part of our efforts to strengthen the Vermont workforce and support VTSU's efforts to move from a recovery strategy to a growth strategy. We received \$1.5 million in FY26 and are requesting an \$812,000 increase to allow us to raise the income threshold to \$80,000.

Dual Enrollment/Early College Stipend

VSAC administers the State stipend for financially needy high school students to help cover the cost of books, supplies, transportation, and fees. Eligible students include those enrolled in dual enrollment courses during their junior or senior year of high school, as well as those participating in the Early College program.

Utilization of this need-based stipend continues to grow. VSAC recommends maintaining the current \$82,450 appropriation for the dual enrollment stipend at this time to ensure that low-income students can continue to access Vermont's tuition-free college-level courses. However, as participation and costs continue to rise, VSAC foresees the potential need for a modest increase in funding in future years to sustain equitable access for all eligible students.

VSAC FY27 Budget Summary - Core Budget

Act 27 section No.	Program	FY25 As Enacted (Act 113)	FY26 As Enacted (Act 27)	FY27 Request
B.605 & E.605	VSAC Grants (Full-Time, Part-Time, Advancement, Trades)	\$26,139,946 general fund base	\$27,084,946 general fund base	3% increase to general fund base (\$812,548)
B.605(a)(2)	Aspiration Program	E.605(b) - \$300,000 carved out of VSAC's base in B.605	Same	\$100,000 increase to the carve out of VSAC's base (total \$400,000)
B.605.1 & E.605.1	Flexible Pathways Stipend Fund	\$82,450 Stipend (½ General Fund; ½ Education Fund)	Same	Same
E.605(b&d)	VSAC – Seven Percent Administrative Fee Authority	Added – Sec. E.605(d)	Same	Same
B.1100(v)	Freedom and Unity Scholarship		\$1,500,000 in one-time funding	\$2,312,548 in base



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Thank you!