

1 S.179

2 Introduced by Senator Pollina

3 Referred to Committee on

4 Date:

5 Subject: Education; secondary education; VSAC; portability

6 Statement of purpose of bill as introduced: This bill proposes to require that
7 the Vermont Student Assistance Corporation award grants and scholarships
8 primarily for use at any Vermont college or university; provided, however, that
9 if there is no postsecondary education institution within 50 miles of a Vermont
10 student's residence in the State of Vermont, then the funds may be used
11 outside the State if there is a non-Vermont postsecondary education institution
12 within that 50-mile radius.

13 An act relating to the use of Vermont Student Assistance Corporation grants
14 and scholarships

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

16 Sec. 1. FINDINGS

17 The General Assembly finds that:

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

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

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

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

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

1 Sec. 2. 16 V.S.A. chapter 87, subchapter 3 is amended to read:

2 Subchapter 3. Incentive Grants

3 § 2841. ESTABLISHMENT; RULES

4 (a) A need-based grant program is hereby established to aid ~~students~~ an
5 eligible Vermont resident student who ~~need~~ needs financial assistance and:

6 (1) ~~are~~ is pursuing undergraduate studies and ~~give~~ giving promise of
7 completing satisfactorily a degree program; at either any Vermont college or
8 university or an approved non-Vermont postsecondary education institution; or

9 (2) who ~~have~~ has been accepted for admission ~~to an approved~~
10 ~~postsecondary education institution~~ at either any Vermont college or university
11 or an approved non-Vermont postsecondary education institution for
12 undergraduate studies.

13 (b) The Board may establish rules, regulations, and standards for the
14 awards under this subchapter.

15 (c) As used in this subchapter:

16 (1) “Approved non-Vermont postsecondary education institution”
17 means a postsecondary education institution outside the State that is located
18 within a 50-mile radius of the residence of an eligible Vermont resident
19 student.

1 § 2844. AMOUNT RECEIVED; PRORATION

2 (a) Each undergraduate student who qualifies for an incentive grant shall
3 apply on forms provided by the Corporation. The Corporation may consider
4 the student for an incentive grant if the student meets the need-based eligibility
5 standards established by the Board. These standards shall give due
6 consideration to all relevant factors affecting the student's need, including the
7 adjusted gross income and other sources of income of the student's parents; the
8 adjusted gross income and other sources of income of a nondependent student;
9 the assets of parents and students; the number of a parent's or nondependent
10 student's children who are students enrolled in approved postsecondary
11 education institutions at the same time; and any unusual circumstances that
12 affect the family financial strength. Incentive grants shall be awarded on a
13 rolling basis to eligible applicants based upon established need, and in total
14 amount shall not exceed the funds made available from legislative
15 appropriation or other sources. In no case shall a student's award be larger
16 than that needed to attend the ~~approved postsecondary education~~ institution of
17 the student's choice.

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

20 (c) Vermont resident students enrolled at the Medical College of the
21 University of Vermont or enrolled in a program in a Vermont college or

1 university leading to the degree of Doctor of Veterinary Medicine shall be
2 eligible to apply for an incentive grant and shall be subject to the provisions of
3 subsection (b) of this section. In addition, veterinary students shall be eligible
4 for grants not to exceed twice the amount of the average grant award made to
5 full-time undergraduate students in the previous year under subsection (a) of
6 this section.

7 * * *

8 § 2846. NONDEGREE GRANTS

9 (a) The Corporation may establish grant programs for residents pursuing
10 nondegree education and training opportunities at any Vermont college or
11 university or an approved non-Vermont postsecondary education institution
12 attended by an eligible Vermont resident student who do not meet the
13 definition of student in subdivision 2822(3) of this title, and who may not meet
14 the requirements of this subchapter. Nondegree grants may be used at
15 institutions that are not approved postsecondary education institutions, so long
16 as these institutions operate primarily or exclusively in the State of Vermont or
17 are an approved non-Vermont postsecondary education institution attended by
18 an eligible Vermont resident student. In this section, “operate” means to
19 establish, keep, or maintain any facility or location from or through which
20 education or training is offered or given, or educational or training degrees are

1 offered or granted. The term includes contracting with any person to perform
2 any such act.

3 (b) The Corporation may adopt rules or establish policies, procedures,
4 standards, and forms for nondegree grants, including the requirements for
5 applying for and using the grants and the eligibility requirements for the
6 institutions where the grants may be used.

7 Sec. 3. 16 V.S.A. chapter 87, subchapter 4 is amended to read:

8 Subchapter 4. Honor Scholarships

9 § 2851. ESTABLISHMENT

10 Vermont Honor Scholarships are hereby established for secondary school
11 seniors who plan to attend ~~an approved postsecondary education institution~~ any
12 Vermont college or university or an approved non-Vermont postsecondary
13 education institution attended by an eligible Vermont resident student.

14 * * *

15 § 2854. AMOUNT; NUMBER; DISBURSEMENT

16 (a) Each Vermont Honor Scholarship shall be an equal amount and no less
17 than \$1,000.00 as determined by the Board.

18 (b) Each secondary school, or a border school serving Vermont secondary
19 school students, may nominate a senior for a Vermont Honor Scholarship.

20 (c) The Scholarship shall be disbursed to the ~~approved postsecondary~~
21 ~~education institution~~ Vermont college or university or an approved

1 non-Vermont postsecondary education institution attended by an eligible

2 Vermont resident student at which the recipient enrolls.

3 Sec. 4. EFFECTIVE DATE

4 This act shall take effect on July 1, 2016.