

Relief from the UVM 40% Rule

- The rule states that Vermont students may not be charged for tuition more than 40% of the tuition rate that out-of-state students pay
- The rule dates from the mid-1950s when there was no discussion of its consequences
- UVM is the only institution of higher education in Vermont subject to this rule
- UVM experiences numerous constraints that put it at a competitive disadvantage in the higher education market, including: low state appropriation (49th in the US), no state investment in UVM Capital projects, and the 40% rule itself
- Repeal of the rule would have
 - 1) No negative effects on:
 - Vermont student tuition or
 - Vermont student enrollment numbers
- Repeal of the rule would allow us to align with market forces and moderate tuition rates to make UVM affordable for all students
- We currently have the capacity to increase the undergraduate student body (both Vermont and out of state) and expand tuition revenue from out-of-state students even if we lower their tuition, as the change will permit a more affordable and competitive tuition rate
- Elimination of the rule also will decrease the pressure on student financial aid dollars for out-of-state students as their tuition would be more manageable, permitting us to realize cost savings that can support academic programs
- In the two years since we repealed 40% for graduate and distance programs, we have not raised Vermont tuition beyond annual inflation rates
- UVM also has lowered voluntarily summer school tuition by 30% over the past two years and again for the summer of 2016
- We are working with legislative partners to craft language that will assure stability for Vermont tuition and transparency of the tuition process