

Minutes

VSAC Programs & Services Committee Meeting

January 23, 2023
10:00 a.m. – 12:00 p.m.

Boardroom, VSAC Offices
10 East Allen Street
Winooski, Vermont 05404

Committee Members Present: Martha Heath (Chair), Dave Larsen, Ryan Dulude, Tim Chamberlin
Committee Members Absent: Caleb Elder, Clarence Davis
Other Members Present: Dodie Mitchell, Chair
VSAC Staff Present: Scott Giles, Tom Little, Marilyn Cargill, Patrick Leduc, Mike Stuart, Jodie Ducharme

Chair Martha Heath called meeting to order at 10:03 a.m. With a quorum established, the Committee took up the first order of business.

Approval of November 21, 2022 Minutes

Upon a motion made by Dave Larsen and seconded by Ryan Dulude, the Committee Members voted unanimously to approve the Programs & Services Committee Minutes of November 21, 2022, as presented.

Public Comment

There were no public comments given during the public comment period.

Fresh Start and Defaulted Loans Who Currently Lose Out on Grant Eligibility

Mike Stuart provided the Committee with an overview of the Fresh Start program for defaulted federal education loans, highlighting that borrowers who participate will regain eligibility for Title IV federal financial aid and will have the defaulted loan tradelines removed from their credit reports. Mike pointed out that borrowers participating in the program are transferred to the Department of Education (ED) and also become eligible for all of ED's programs.

Marilyn Cargill noted that, in relation to the State Grant program, the grant program is not Title IV aid so the Fresh Start program doesn't impact a student's eligibility for grants. Marilyn reviewed that the current grant policy is to deny a student for a Vermont State Grant if they have a defaulted loan. Marilyn directed the Committee to previously distributed materials, outlining the volume, dependency status, gender, and income of students who are denied a grant due to having a defaulted federal education loan and noted that in the next agenda item on policy review there will be a recommendation to terminate the defaulted loan policy in order to remove a barrier to students who want to continue their education.

The Committee engaged in a conversation on the Fresh Start program and the impact to students applying for grants, during which Marilyn Cargill and Scott Giles responded to questions.

Grant Policy – Ongoing Review

Martha Heath transitioned the Committee to the ongoing review of grant policies, which covered the following policies:

- **Citizenship** – Marilyn Cargill reviewed the policy and pointed out revisions to include that students with a citizenship status of ‘Asylum Seeker’ be eligible for the Advancement Grant, as long as they meet the Vermont residency requirement of living in the state for 1 year.
- **Vermont Microgrant** – Marilyn reviewed the policy and noted revisions to 1) expand the policy to include students participating in a non-degree program 2) allow one award per year rather than one award per lifetime and 3) allow an appeal for a second award in a year, under extenuating circumstances.
- **Defaulted Loans** – Marilyn reviewed the policy and noted that VSAC staff recommends the termination of this policy and no longer allowing a defaulted student loan to prevent a student from being eligible for any State Grant programs.

The Committee discussed the policies and Marilyn responded to questions.

Upon a motion made by Ryan Dulude and seconded by Tim Chamberlin, the Committee Members voted unanimously to recommend that the full Board approve the Citizenship and Vermont Microgrant policies, as presented, and to terminate the Defaulted Loans policy, as presented.

Operations Updates

Marilyn Cargill and Scott Giles briefed the Committee on the following efforts:

- Update to State Funding Challenges for Nurse Faculty, Mental Health, Early Childhood Education, and Chafee
- FFEL loan forgiveness
- Proposed Changes to the Advantage Student and Parent Loan structure for 23-24.
- Scholarship Day
- Standing Reports

Marilyn announced that VSAC’s upcoming Scholarship Day will be held on Wednesday, April 12, 2023, and extended an invitation to all Board members who would like to participate.

Federal Update

Scott Giles provided updates on the Department of Education’s new Income Driven Repayment program, the expanded federal loan cancellation options, the extension of the payment suspension for Department of Education held loans, and the new Congress.

Vermont Update

Scott Giles provided updates on the Governor’s budget and the legislature. Marilyn Cargill provided an update on the meeting with Vermont State College leadership to discuss the new tuition model.

Other Business

There being no other business, the Committee adjourned at 12:02 p.m.

Respectfully submitted,

Marilyn Cargill, Assistant Secretary