

Commission to Study College Affordability and College Completion
Resolves 2013, Chapter 109

Chairs:

Senator Rebecca J. Millett
Representative Matthea Elizabeth Daughtry

Staff:

Lock Kiermaier

Website: <http://www.maine.gov/legis/opla/collegeaffordability.htm>

Meeting Summary
November 12, 2014
Room 202, Cross Office Building
Augusta, ME

Members present: Senator Rebecca Millett (Chair), Representative Mattie Daughtry (Chair), Representative Brian Hubbell, Representative Matt Pouliot, John Fitzsimmons (MCCS), Wendy Ault (MELMAC), Ryan Low (UMS), Gianna Marrs (UM), Mila Tappan (FAME), Elizabeth True (MMA), Lisa Plimpton (Mitchell Institute), Bob Clark (President of Husson University and Maine Independent College Association)

Staff: Lock Kiermaier (Contract)

The meeting commenced at approximately 9:30 AM. The Chairs, Senator Rebecca Millett and Representative Mattie Daughtry, asked those members present to introduce themselves.

As the first order of business, the Chairs initiated discussion of an on-line survey instrument that the Commission had developed with the assistance Mikel Leighton, Administrative Specialist, UMS Student Affairs & Organizational Effectiveness. Representative Mattie Daughtry introduced the topic by reminding the Commission that the survey was intended as an anecdotal attempt to gather opinions and feedback on the topic of college affordability and completion from Maine citizens. Representative Daughtry further explained that the online survey was titled “State of Maine: Student Costs and Loans” and could be accessed at the following link:

<https://www.surveymonkey.com/s/MaineStudentCostsandLoans>

In discussing the survey results (which had been distributed in a printed compilation), Representative Daughtry made the following points:

- To date, there had been 302 responses to the survey;
- The survey provided opportunities for the following individuals to self-identify whether they are:
 - Parents;
 - Currently enrolled students/student with some college experience but no degree;or;

- Graduates.
- The results showed that the respondents had attended a wide variety of in-state and out-of-state public and private colleges and universities;
- Some 67% of parents had talked with a financial aid officer with a wide range of anecdotal responses regarding their actual experiences;
- With regard to any financial sacrifices (“unmet need”) that were made by parents to help their child attend college, many respondents stated that they had to use retirement savings, or unable to save for retirement, or had to forego routine expenses such as vehicle replacement, entertainment, and dining out;
- As to those students that had talked with a financial aid officer, the anecdotal responses included a smaller range of responses ranging from being able to get more financial aid to a frustration in getting useful or helpful information;
- For those students who responded to the question about how much they had to borrow to attend college, the answers ranged from a high of \$500,000 to a low of nothing with many answers on either side of approaching \$100,000;
- With regards to miscellaneous comments that were made at the end of the survey, a wide variety of responses were received including:
 - Participating in AmeriCorp for a year helped postpone and manage that person’s student debt;
 - Several parents maintained that they were “penalized” for having savings, thereby receiving reduced financial aid for their child;
 - A lack of family and personal financial resources, without significant financial aid and an unwillingness to enter into significant debt resulted in a decision to drop out of college; and
 - Paradoxically being able to secure a number of scholarships resulted in reduced financial aid thereby forcing the student drop out of college.

In response to these survey results, Commission members offered a number of comments which included the following:

- With regards to the assertion that having savings results in families being “penalized” in the form of less financial aid, it was maintained that this simply is not true. Rather, family assets such as savings, primary residential real estate and retirement accounts are largely protected under federal financial aid guidelines and do not result in less financial aid. What is true for these families is the reality that there simply is not enough financial aid to meet the real needs of many families with students wanting to attend college;
- In response to a query, Representative Daughtry stated that the complete compilation of all the survey results would be made available through a log-in that would be e-mailed to Commission members;
- Concern was voiced about the significant negative results concerning the lack of assistance and information that parents felt they had received from college financial aid officers. Later, it was noted that these results contrasted somewhat with the results from students who felt significantly more positive about the assistance they had received from financial aid officers;
- Some dismay was expressed about the relative lack of awareness regarding the availability of the Opportunity Maine Tax Credit; and

- There was significant agreement on the need to share a readable compilation of the survey results and it was agreed that the Commission would make further efforts to have this information made available after the final report had been issued.

Next, Senator Millett initiated a discussion on whether the Commission wanted to entertain the idea of adopting some version of an attainment goal for the State of Maine. Senator Millett referred Commission members to documents from the Lumina Foundation and Educate Maine; these two organizations have proffered different attainment goals:

- The Lumina Foundation has suggested a national attainment goal of increasing “the proportion of Americans with high quality college degrees, certificates or other credentials to 60% by the year 2025”. The Lumina Foundation also notes the distinction between attainment goals and completion goals as follows:
 - “Attainment goal refers to the educational level of a state’s population”; whereas
 - “Completion goals are the total credentials awarded annually to reach the attainment goal”;
- Educate Maine has endorsed an attainment goal in which at least 50% of the Maine population will have a college degree by 2023.

Given that the degree attainment level for Maine in 2012 was 39%, the ensuing discussion focused on what was a realistic and attainable goal for Maine and whether the Commission should endorse or adopt any attainment goal. After considerable discussion, the Commission voted unanimously to adopt the following recommendations:

Recommend that the text of the Commission’s final report include a narrative establishing the importance of the K-12 educational process in order to ensure adequate academic readiness of those Maine students entering college for the first time.

Recommend that the Joint Standing Committee on Education and Cultural Affairs consider setting a statutory attainment goal that is not lower than the 50% by 2025 promoted by Educate Maine with additional consideration to attainment goals established by the Lumina Foundation and the “40-40-20” aspirational goal for all levels of education established by the State of Oregon. In addition, recommend that in light of whatever statutory attainment goal that has been established, that the Education Committee propose legislation which requires that the Legislature bi-annually monitor education attainment metrics from Educate Maine and/or the Maine Development Foundation’s Measures of Growth report.

Moving to the next item on the agenda, the Chairs asked if any members of the public wanted to make any comment on the Commission’s deliberations to this point. No one availed themselves of this opportunity for public comment.

The Chairs then initiated discussion regarding consideration of any possible recommendation regarding the Maine State Grant Program (MSGP). The ensuing discussion revealed a broad consensus that, in recent times, the State of Maine has not met any obligation to adequately help families in Maine deal with college affordability and that the MSGP should in some way be

changed to help address this problem. In considering previously discussed options, the Commission reviewed a cost analysis of these options prepared by the Finance Authority of Maine (FAME) which is responsible for administering the MSGP. These options were as follows:

- Option #1; establish a tiered grant program starting at \$1,750 in the first year and culminating at final year grant of \$2,500 at a total cost of \$34 million;
- Option #2; establish a grant program that awards \$4,000 annual grants for families with an EFC of \$0 and annual grants of \$1,500 for all others at a total cost of \$47 million;
- Option #3; establish a grant program that awards \$4,000 annual grants for families with an EFC of \$0 and annual grants of \$2,500 for all others at a total cost of \$57 million;
- Option #4; establish a grant program that awards \$2,500 annual grants for families with an EFC of \$0 and annual grants of \$1,500 for all others at a total cost of \$33 million;
- Option #5; establish a tiered grant program upon which the initial annual grant of \$1,500, with annual increases of \$250, are awarded to students based on number of credit hours completed at a total cost of \$33 million.

To assess the sentiment of Commission members regarding these options, a straw poll was conducted which showed predominate support for Options #1 and #4. A motion was made to recommend Option #5 but no second was made and therefore the motion failed.

After further discussion, most Commission members favored combining Options #1 and #4. A preliminary cost estimate from the representatives of FAME that were present estimated an additional cost of \$4 to \$5 million thereby creating an estimated cost in the range of \$39 million. After a motion was made, 8 of the 11 members present voted in favor of the following recommendation:

Recommend that the Maine State Grant program be reconstituted to provide a tiered grant program starting at annual awards of \$2,500 for families with \$0 EFC with annual increases of \$250 for each year that the student is enrolled. Further recommend that annual awards of \$1,500 be made to families with EFCs that are greater than \$0 with annual increases of \$250 for each year that the student is enrolled. In addition, recommend that these tiered programs be reviewed by the Legislature every two years in light of forth coming studies from the New England Board of Higher Education. Further recommend that the grant award levels be reviewed by the Legislature from an affordability and unmet need perspective every two years.

Next, the Chairs moved the discussion to a consideration of the various recommendations contained in the previously reviewed report from the “Improving College Affordability & Completion in Maine” report which was submitted to the Legislature on 3/3/14. In the Commission’s previous meeting on October 22nd, an attempt had been made to conduct a straw vote asking each member to rank the recommendations in a priority order for possible adoption in the Commission’s final report. However, because Commission members voted in different ways to prioritize these possible recommendations, the results were not usable in a manner which indicated the overall voting sentiments of the Commission members. To remedy the previous effort, Commission members were presented with a written list of the possible recommendations

and were asked to identify (and rank), their top 3 choices. The results of that straw vote showed that the top 3 options were:

- Hiring 30 College Navigator positions in the MCCS at an estimated annual cost of \$2 million;
- Fully fund the UMS budget request for FY 16-17 at a cost of \$10.9 million, allowing tuition rates to be frozen for two additional years; and
- Expanding student Work Study Opportunities at the MCCS at an estimated annual cost of \$2 million.

Upon discussion of these results, noting that reduced funding for public colleges and universities often results in higher tuition, many Commission members expressed a concern that all higher education budget requests should be funded as a measure to deal with college affordability. Therefore, a motion was made and seconded to make the following recommendations:

Recommend that the FY 16-17 budget requests for the University of Maine System, the Maine Community College System and the Maine Maritime Academy should be fully funded as a means of achieving greater affordability for Maine students.

Recommend that the Legislature appropriate an additional \$2,000,000 to the Maine Community College System for the annual costs of hiring 30 College Navigator positions. (NOTE: this figure will be reduced by 3 positions already funded by a grant; updated figures to be provided by MCCS)

Recommend that the Legislature appropriate an additional \$2,000,000 to the Maine Community College System for the annual costs of expanding student work study opportunities.

All three recommendations were unanimously approved by Commission members.

As a final action, Commission members asked that the final report clearly state that the cumulative effect of all of these recommendations represent an important first step towards the goals of making college more affordable and to encourage greater rates of college completion.

The meeting was adjourned at approximately 1 PM.