

December 3, 2021

Joint Standing Committee on Education and Cultural Affairs
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

RE: Maine Independent College Association Report on LD 1152, Resolve, To Require Maine Postsecondary Educational Institutions to Review the Level of Student Debt and Develop Plans to Limit Student Debt

Dear Senator Rafferty, Representative Brennan, and esteemed members of the Joint Standing Committee on Education and Cultural Affairs,

I am writing on behalf of the Maine Independent Colleges Association (MICA). MICA represents 11 private, nonprofit colleges and universities¹ throughout Maine that serve over 25,000 students, over 7,000 of whom are from Maine.

One of the characteristics of a healthy higher education eco-system is diversity: diversity in the kinds of schools, diversity in the sizes of schools, diversity of program offerings, and diversity of costs. And what this diversity allows for is choice—ideally, informed choice.

One of those pieces of informed choice is understanding the cost of attending a university and how to obtain support in paying for that cost. All of the schools with MICA strive to ensure that our students understand the cost and are not laden with unmanageable debt. For example, loans are often a barrier to the enrollment of first-generation and lower income students, so several MICA members have special programs designed to provide access to exactly this population of first-generation, low-income and PELL grant eligible students.

But one issue that we have consistently found in our work is that we cannot control how or if a student and their family accept our help. For example, all MICA members offer significant institutional financial aid and/or scholarship packages; however, some students turn down all of their award or part of their award, like the work study opportunities and take out a private loan instead. We cannot control the terms of the private loans, and these loans often take advantage of the students and their families. This is something that we would love to work with the Committee to address.

¹ Bates College, Bowdoin College, Colby College, College of the Atlantic, Husson University, Maine College of Art, Roux Institute at Northeastern University, St. Joseph's College of Maine, Thomas College, Unity College, and University of New England.

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We understand that the Committee, pursuant to LD 1152, wants to understand the level of student debt for higher education in this State to begin to discuss best practices for alleviating that debt. As we have explained to this Committee before, MICA is different than the public school system because our schools are diverse and do not receive state subsidy, and so it is hard to document every school's efforts, but we have done our best to summarize the review done at each school.²

1. Level of Student Debt

Although the following is just a small snapshot of the picture, we determined that there are two data points that were important to provide for this Committee. The first is the average student debt for the graduating class of 2019 who are Maine residents. The second is the percentage of Maine Residents enrolled at least half time for 2020-2021 who were PELL eligible.³ These were the most recent years that the data was available to provide. We hope that the other higher education institutes provide the same data to the Committee.

	Average student debt for Maine residents from the Class of 2019	Percentage of Maine residents who are Pell eligible for 2020-2021
Bates College	\$15,265	13%
Bowdoin College	\$19,591	12%
Colby College	\$17,149	11.3%
College of the Atlantic	\$22,588	56%
Husson University	\$25,424	39%
Maine College of Art	\$26,275	37.4%
St. Joseph's College of Maine	\$24,954	33%
Thomas College	\$24,442	46%
Unity College	\$27,804	36%
University of New England	\$27,535	29.22%

² Roux Institute at Northeastern University is not included in this review because they are not an undergraduate university.

³ PELL eligibility is determined by the federal government and represents students with significant financial need.

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2. Plans to Limit Student Debt

The Committee also wanted us to review the practices at our schools to limit student debt. We have provided a couple of key examples from each school, but these are certainly not the only things.

Bates College

- Bates is committed to meeting 100% of their students' financial need through a combination of grant aid, student loans, and student employment.
- Bates recently started a \$100 million program, supported by the Schuler Education Foundation, whose goal is to increase the number of students at Bates who are PELL eligible, low-income, or undocumented by 50% over the next decade.

Bowdoin College

- Bowdoin is one of approximately twenty colleges and universities in the country that provide the combination of a need-blind, meet-full-need, and no-loan financial aid. Sixty-nine (69) percent of Maine residents enrolled in the Class of 2025 received financial aid awards.
- Bowdoin recently increased its student aid budget by around \$3.5 million to be distributed across all levels of need with an emphasis on low- and middle-income families. Bowdoin also eliminated the expected summer work contribution for students (typically \$2,300) and replaced the amount with equivalent grant support for students whose annual combined parental income is less than \$75,000.

Colby College

- Colby meets 100 percent of each of their student's demonstrated financial need. There are no fees to apply, and no loans included in their financial aid package which provides every student the chance to graduate without loan debt.
- Colby is committed to supporting the postsecondary aspirations of Maine students from all backgrounds. Through their annual Maine Days initiative, the Office of Admissions and Financial Aid visits every available public high school—from Kittery to Madawaska, and from Bethel to Lubec—to share information about Colby and the college admissions and financial aid process in general. Furthermore, in an effort to further educate and empower Maine residents considering their postsecondary options, Colby launched a statewide early college planning program for middle and high school students, families, and counselors.

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College of the Atlantic

- The College of the Atlantic regularly reviews cost of attendance calculations to ensure student financial aid appropriately accounts for unbilled costs to students.
- The College of Atlantic purchased and built additional student housing to control student costs

Husson University

- Husson has an Early College Access Program (ECAP), where high school juniors and seniors can enroll in college courses to earn credits that can count toward a degree program. These courses are tuition-free so the students can get a head start on their college degree while saving time and money.
- Husson recently announced a strategic initiative designed to extend its online educational outreach to reach students who would not have been able to participate in classes because of the distance from their home.

Maine College of Art

- MECA provides a free subscription to iGrad to all students, an online financial literacy program to help plan for, pay for, and repay the cost of a degree, while preparing you for a successful financial future.
- MECA provides an outside scholarship list to all students, some specifically for students studying visual arts, but the list is more comprehensive - with the encouragement to apply to as many as possible, with one-on-one help from their financial aid staff as needed.

St. Joseph's College of Maine

- Saint Joseph's recently announced the Talbot Scholars Program which will allow first-generation low-income students to receive financial aid packages that meet the family's FAFSA calculated EFC without loans, one of the most significant barriers to access for this population.
- Saint Joseph's College is partnering with Southern Maine Community College and seven school districts across the state to address another pressing need—training the next generation of STEM educators for Maine's schools. Supported by a five-year, \$1,444,983 grant from the National Science Foundation's Track 1 Robert Noyce Scholarship and Stipend Program, Noyce Scholars are selected on the basis of their academic achievement and passion for STEM teaching—each will receive a \$25,500 scholarship for the '20-21 academic year to support their studies in STEM & Secondary Education. Noyce Scholars will work in high-need urban and rural schools across Maine.

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Thomas College

- Thomas College provides debt management support and counseling to all students. This includes one-on-one counseling services and financial literacy resources through iGrad via a partnership with FAME. Thomas College provides debt and repayment counseling through Educational Credit Management Corporation (ECMC) after graduation.
- Thomas College offers needs-based scholarships through its endowment. Thomas College also offers a generous array of merit-based grants and scholarships to students (<https://www.thomas.edu/merit-and-scholarships/>). In addition, in the last year, Thomas College provided \$248,000 in appeals scholarships, \$52,000 in student success grants (money in real time to address unexpected costs for our students: rent, car repair, food, etc.), and an additional \$16,000 of scholarship to help make ends meet for our JMG students.
- Thomas College offers Maine high school students multiple ways to earn college credits free of charge through statewide partnerships with high schools statewide and JMG programs serving hundreds of Maine students annually. Thomas College is credit-friendly and will work with prospective students to apply their earned college credits – whether earned from Thomas College or other higher education institutions – to their Thomas College degree program, saving them time and tuition dollars.
- Thomas College offers all undergraduate programs in a 3-year accelerated format with a guarantee that students will have access to the courses they need to graduate on time. This unique program saves students a year or more of tuition and fees, bringing their overall costs down substantially and allowing them to enter the workforce sooner. Students also can add on another year (3+1) to earn their master's degree, and graduate after 4 years with higher earning potential.
- Thomas College continues to expand its OER (Open Education Resources) program through an ongoing grant to provide students access to free textbooks and course materials.
- Thomas College has a Guaranteed Job Program that provides students with supports and experiences to launch them on their career pathway immediately following graduation. If students are unable to land a job in their field of study within 6 months of graduation, Thomas College will help pay down their federal loans or provide access to more courses free of charge. 92% of Thomas College graduates have a job within 6-9 months of graduation.

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Unity College

- Unity recently reset tuition based on credit hour making the by-course charge more affordable and offers five different payment plan options to allow students to set up payment arrangements by term or including multiple terms.
- Unity College only packages Direct Loans in initial award notifications. By restructuring the calendar and changing the price point, Unity has experienced a significant decrease in alternative and PLUS loan borrowing even though it has grown in enrollment:

University of New England

- UNE has the Maine Seacoast Mission, funded by the Shelby Collum Davis Foundation, which supports for full expense scholarships targeting DownEast high schoolers. UNE also has 21 Mitchell Scholars, who receive scholarships every year to a student from each of Maine's high schools.
- UNE has several initiatives targeting new Mainers and other underprivileged or unrepresented communities for financial aid, often in collaboration with partners from the public and private sectors.

Finally, MICA recommends that in order to best help Maine students attend the college of their choice in Maine, please keep supporting and increasing the levels in the Maine State Grant Program. The MSGP is the simplest and most effective need-based program that follows the student and should be supported

If the Committee has any additional questions about the data that we provide or the financial aid programs and policies at our schools, please feel free to contact me.

Sincerely,

Daniel W. Walker

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