

Testimony from the University of Maine System Presented by UMS Director of Government & Community Relations Samantha Warren In Support of LD 512, An Act to Promote Student Enrollment and Degree Completion In the University of Maine System by Providing Tuition Waivers to Eligible Students March. 6, 2023

Sen. Rafferty, Rep. Brennan and distinguished members of the Joint Standing Committee on Education & Cultural Affairs: My name is Samantha Warren and I am the Director of Government Relations for the University of Maine System (UMS).

Maine's public universities are proud of our nation-leading affordability, which is made possible by the System's fiscal stewardship and commitment to access, and the State's ongoing investment in UMS supported by the Legislature and Gov. Mills.

You know that our universities have held in-state undergraduate tuition flat for eight of the past 12 years, and that the University of Maine remains the most affordable flagship in New England. For the past decade, the cost of UMS in-state tuition as a percentage of Maine's per capita income — even before discounting — has declined each year, to now less than 14%. In that same 10-year period, our System has doubled to \$109 million the amount of institutional aid we make available to our students in the form of direct university scholarships, grants and waivers they do not need to pay back. This includes the tuition and mandatory fee waiver in place since 2018 for qualifying Pell-eligible students attending the Universities of Maine at Augusta, Fort Kent, Machias and Presque Isle, which is a last-dollar promise program.

Taken together with increases in the award amounts for need-based federal Pell and the Maine State Grant, **UMS has decreased our students' borrowing by 22.6%** over the last five years.

Despite this progress on affordability, we know too many of **our students** — **40% of whom are the first in their families to attend college** — **still have tremendous financial need**. Untold others do not even apply to Maine's public universities because they assume that high-quality postsecondary education is not within their reach. We also recognize that even relatively small amounts of student debt can be difficult to discharge for those in professions that are essential to our economy and communities, but that provide low wages, like early childhood education, teaching and social work.

Nearly half of UMS undergraduate students who filed a FAFSA qualify for Pell, and the rate of Pell-eligibility among in-state students is much higher. UMS students rely on campus and community resources to meet their most basic needs, including for food and stable housing. We hear from students that they struggle to work enough hours to pay their bills given the demands of their academic programs, like nursing, which has extensive clinical commitments that often require costly travel, or education, which has unpaid student teaching obligations.

It is also important to note that more than **one-third of our students are 25 or older**. Often these adult learners are parents juggling jobs and multi-generational caregiving duties while also seeking to improve their ability to provide for their families through UMS education and workforce development.

As previously shared with this Committee, since 2020, our System has distributed more than \$45 million in federal pandemic relief to our students. The requests for these funds reflect the impact precarious financial situations have on our students' academic performance and persistence, and their incredible commitment to bettering their circumstances through higher education. "I'm a recently widowed mom of six just trying to show my children perseverance," wrote one student. "I want to support my family and the community. I'll go hungry before giving up school."

LD 512 asks this Committee to consider whether these determined Maine students, who choose our public universities because they best serve their personal and professional goals, are equally deserving of the opportunity to graduate to a better life as those currently benefiting from free community college. Consistent with our System's past statements supporting the free MCCS initiative and the intent of LD 512, UMS believes Maine's students and workforce would be best served by all learners having equal access to all public postsecondary institutions in the state. This includes recent high school graduates and the estimated 180,000 Mainers who have some college but no door-opening degree, and whose upskilling is critical to their success and that of Maine's employers and economy.

Research supports our position, and the clear relationship between increased state higher education funding and improved student outcomes, including shortened time to degree, and thus entry into the workforce. A recent study on <u>free college programs</u> finds they "affect student outcomes in ways similar to what advocates of free college suggest," especially when <u>the assurance of free tuition is up-front and unconditional</u>. For example, a <u>promise program in Michigan</u> increased the chance of low-income students enrolling in and completing four-year college by more than 50%.

In Maine, there has been a positive initial response from students and families to Maine's new free community college program and the data support that has impacted enrollment at our public universities. As UMS has previously reported to the Committee, the number of students who had been admitted to a UMS university but instead enrolled at one of Maine's community colleges nearly doubled in just the first semester of this initiative.

We maintain that long-term, increased MCCS enrollment should benefit UMS as students transfer into our System to earn the baccalaureate degrees increasingly expected by Maine employers. At the same time, there would be both individual and societal benefits if students who wish to attend our public universities are afforded the same State-subsidized opportunity to do so, especially given Maine's need to boldly grow both the size and skill of its workforce and the proven power of public four-year institutions to advancing economic mobility and the public good. For example, working-age alumni of our flagship earn more than double the state's average median income and federal labor statistics show earning is higher and unemployment is lower among workers with four-year and advanced degrees.

UMS supports LD 512. As proposed, this first-dollar promise program would require \$107.9 million in additional annual appropriation for UMS: \$46 million to support 50% tuition waivers for full-time, undergraduate students from Maine and an additional \$61.9 million for those from out-of-state. For comparison, expanding our existing small campus last-dollar Pell promise program to Pell-eligible instate students at all UMS universities would require an additional \$4.9 million in appropriations. Meanwhile, a last-dollar "free university" program similar to free community college would cost approximately \$38 million annually for Maine students, or \$83.4 million if it was inclusive of out-of-state students, as the MCCS initiative is.

We thank Sen. Tipping, Rep. Millett, and the other supporters of LD 512 for their recognition that one size does not fit all, and their commitment to expanding affordable access to world-class education and research at Maine's public universities. We also thank this Committee's Majority for their support of the increased investment for UMS proposed by Gov. Mills in her biennial budget and their further recommendation to provide \$14 million to pilot free college through UMS. Increasing the number of students who come to Mane's public universities is a good thing for our system, and more educated and skilled workers with less student debt is a great thing for the state's economy and communities.

Thank you for ongoing support of the University of Maine System.