



WISCONSIN LEGISLATIVE COUNCIL

REVIEW OF HIGHER EDUCATION FINANCIAL AID PROGRAMS

Room 411 South
State Capitol

October 7, 2010
10:00 a.m. – 3:00 p.m.

[The following is a summary of the October 7, 2010 meeting of the Special Committee on Review of Higher Education Financial Aid Programs. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Ballweg called the committee to order. The roll was called and it was determined that a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Joan Ballweg, Chair; Sen. Fred A. Risser, Vice Chair; Rep. Thomas Lothian; and Public Members Sara Goldrick-Rab, Mary Jo Green, Jane Hojan-Clark, Louise Janke, Amy Kerwin, Darcy Paulson, Michael Swain, Paul Watson, and Rolf Wegenke.

COMMITTEE MEMBER EXCUSED: Public Member Rock Larson.

COUNCIL STAFF PRESENT: Dan Schmidt, Senior Analyst, and Scott Grosz and Anna Henning, Staff Attorneys.

APPEARANCES: John Eich, Director, Wisconsin Office of Rural Health; Kevin Formolo, Counselor, South High School, Sheboygan School District; Jane Hojan-Clark, Executive Director, Department of Financial Aid, University of Wisconsin-Milwaukee; Amy Kerwin, Chief Guaranty Officer, Great Lakes Higher Education Guaranty Corporation; Mara Brooks, Madison; and Dr. Sheila Stover, Mary Czech-Mrochinski, and Amanda Falkowski, Marquette University.

Approval of the Minutes of the Committee's August 17, 2010 Meeting

Senator Risser moved, seconded by Mr. Wegenke, that the minutes of the committee's August 17, 2010 meeting be approved. The motion passed by unanimous voice vote.

Presentations by Invited Speakers

[Note: PowerPoint presentations and other documents referred to by the speakers are posted on the committee's Internet site.]

John Eich, Director, Wisconsin Office of Rural Health

John Eich described Wisconsin's Health Professions Loan Assistance Program (HPLAP) and its interaction with similar federal programs. Mr. Eich described the eligibility and selection criteria for the HPLAP, noting, in particular, the role of the health professional shortage area in determining awards under the HPLAP. Mr. Eich described the health care needs in Wisconsin, including projections of future needs. Mr. Eich finished his presentation with a description of funding for the HPLAP, as well as a description of the Critical Access Hospital Assessment funding provided by 2009 Wisconsin Act 190 (2009 Assembly Bill 770). Following his presentation, Mr. Eich responded to questions from committee members.

Kevin Formolo, Counselor, South High School, Sheboygan School District

Kevin Formolo provided the committee with information on state and national models for school counseling, as well as a description of the career development curriculum at Sheboygan South High School. Mr. Formolo discussed observations as a guidance counselor, including the effects of barriers to higher education. Mr. Formolo described financial and socioeconomic issues as barriers to aspiration to higher education, and the lack of rigorous high school classes, limited exposure to higher education during high school, and negative perceptions of certain high school classes as barriers to preparation for higher education. He noted the negative effect of high student to counselor ratios on the ability of counselors to effectively deliver guidance services. Mr. Formolo ended his presentation with recommendations for the committee and responded to questions from committee members.

Jane Hojan-Clark, Executive Director, Department of Financial Aid, University of Wisconsin-Milwaukee (UWM)

Jane Hojan-Clark described her experiences as a financial aid administrator at UWM. She described various types of financial aid, including need-based aid, merit-based aid, and financial aid with both merit and need components. Ms. Hojan-Clark described the calculation of a family's expected family contribution and the role of the calculation in the award of financial aid. She provided institutional data on financial aid and student need at UWM and discussed national and state challenges in financial aid. Ms. Hojan-Clark provided recommendations for committee action and ended her presentation by answering questions from committee members.

Amy Kerwin, Chief Guaranty Officer, Great Lakes Higher Education Guaranty Corporation (GLHEC)

Amy Kerwin described several financial aid programs supported by GLHEC. She explained GLHEC's role in the Teacher Loan Forgiveness program, the College Access Champion Program, and the College Access Challenge Grant (CACG) Program, and noted other local college access programs organized by colleges, community-based organizations, and faith-based organizations. Ms. Kerwin noted the participation and collaboration among Wisconsin entities in the CACG program, and provided examples of materials and handouts associated with the program. Following her presentation, Ms. Kerwin responded to questions from committee members.

Public Testimony

Mara Brooks, Director of Government Services, Wisconsin Dental Association

Mara Brooks testified with regard to concerns held by the Wisconsin Dental Association (WDA) regarding the effectiveness of loan forgiveness programs for dentists. Ms. Brooks noted that Medicaid and BadgerCare treatment requirements for loan forgiveness lessen the financial impact of the forgiveness program and limit program participation to established clinics that already see a high volume of Medicaid patients. Ms. Brooks concluded her testimony with suggestions for modifications to the loan forgiveness program.

Sheila Stover, Clinical Assistant Professor, and Director, Rural Outreach Programs; Amanda Falkowski, Practice Placement Director, Marquette University School of Dentistry; and Mary Czech-Mrochinski, Director of Government Relations, Marquette University

Ms. Stover, along with Ms. Falkowski and Ms. Czech-Mrochinski, provided the committee with testimony including institutional data about Marquette University's School of Dentistry as well as the school's efforts to serve rural areas and to provide clinical dental services away from its main campus.

Discussion of Committee Assignment

Chair Ballweg distributed memoranda from Emily Pope, Legislative Fiscal Bureau; the first memorandum provided details on appropriations for state-funded financial aid programs and the second memorandum provided information regarding state veterans education programs. Chair Ballweg requested that Ms. Pope provide information for the committee regarding remaining balances for appropriated funds.

Next, Chair Ballweg invited committee members to offer ideas and items for the committee's consideration. Mr. Wegenke noted the larger purpose of financial aid as it relates to the future success of the state and emphasized the effort to raise the percentage of four-year degree holders in the state. He also stressed the significance of stability, consistency, and adequacy in financial aid awards and suggested the consolidation of state financial aid programs. Ms. Goldrick-Rab requested information regarding the income level of students receiving the Academic Excellence Scholarship and the Lawton Undergraduate Minority Retention Grant. Senator Risser questioned whether nonlegislative changes relating to required coursework, tuition discounts and guarantees, internet courses and tuition incentives for early completion could enhance student experiences and outcomes. Don Madelung, President,

Herzing College, noted that students of for-profit colleges are ineligible for state financial aid, and described the student choice and workforce impact of for-profit colleges.

Chair Ballweg suggested changes to the tuition reciprocity agreement between Wisconsin and Minnesota, including the requirement that students pay the more expensive of in-state tuition rates, allowing Wisconsin to retain money from Minnesota residents who attend Wisconsin schools, rather than paying that money back to the State of Minnesota to fill the gap between tuition paid by Wisconsin residents attending Minnesota schools and the tuition charged in Minnesota. She suggested this money could instead be used to pay for need-based financial aid in Wisconsin. Ms. Goldrick-Rab suggested converting funding from non-need-based programs to fund a state work-study program. The committee also discussed the possible results that would arise from expanding tuition reciprocity beyond reciprocity with Minnesota. Ms. Hojan-Clark and Ms. Kerwin suggested the committee review options for consolidation of programs and the elimination of duplicative efforts on college preparation and awareness programs.

Plans for Future Meetings

The next meeting of the Special Committee on Review of Higher Education Financial Aid Programs will be held on *Tuesday, November 9, 2010, at 10:00 a.m., in the Legislative Council Conference Room, One East Main Street, Suite 401, Madison.*

Adjournment

The meeting was adjourned at 3:00 p.m.

SG:ksm