Bill as Introduced

HB 643-FN - AS INTRODUCED

2013 SESSION

13-0707 04/10

HOUSE BILL

643-FN

AN ACT

establishing a science, technology, engineering, and mathematics scholars

program.

SPONSORS:

Rep. Kurk, Hills 2

COMMITTEE:

Education

ANALYSIS

This bill establishes a science, technology, engineering, and mathematics (STEM) scholars program to be administered by the university system of New Hampshire board of trustees to provide partial scholarships to students pursuing either a 2-year or 4-year degree in a STEM field at a public postsecondary educational institution in New Hampshire who agree to work in New Hampshire after graduation in a STEM field for a minimum of 5 years.

Explanation:

Matter added to current law appears in bold italics.

Matter removed from current law appears [in-brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT

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establishing a science, technology, engineering, and mathematics scholars program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 New Paragraph; University System of New Hampshire; Board of Trustees. Amend RSA 187-A:16 by inserting after paragraph XXIII the following new paragraph:
- XXIV. Administer, at no cost to the state, all aspects of the science, technology, engineering, and mathematics (STEM) scholars program established in RSA 200-N.
- 2 New Chapter; Science, Technology, Engineering, and Mathematics (STEM) Scholars Program. Amend RSA by inserting after chapter 200-M the following new chapter:

CHAPTER 200-N

SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM) SCHOLARS PROGRAM

200-N:1 Program Established. There is hereby established the science, technology, engineering, and mathematics (STEM) scholars program which shall be administered by the university system of New Hampshire board of trustees. The purpose of this program is to provide partial scholarships to students pursuing either a 2-year or 4-year degree in a STEM field at a public postsecondary educational institution in New Hampshire who agree to work in New Hampshire after graduation in a STEM field for a minimum of 5 years. All funds received pursuant to this chapter shall be nonlapsing and continually appropriated to the university system of New Hampshire for the purposes of this program.

200-N:2 Program Criteria.

- I. Any student attending a public or private high school in New Hampshire who is interested in pursuing either a 2-year or 4-year degree in a STEM field at any public postsecondary educational institution in New Hampshire and whose family income is less than 200 percent of the state median family income based on the most recent calculations by the United States Department of Commerce, Census Bureau, shall be eligible to apply for this program. An eligible student shall submit an application to the university system of New Hampshire board of trustees, on a form developed by the board of trustees.
- II. Applicants who are selected to receive a scholarship under this program shall receive a scholarship for 75 percent of applicable tuition and academic fees at an institution in the university system of New Hampshire, and 100 percent of applicable tuition and academic fees at an institution in the community college system of New Hampshire. The scholarship shall be for a maximum of 4 academic years.

HB 643-FN - AS INTRODUCED - Page 2 -

III.	Applicants	selected to	receive a	scholarship	under this	program	shall o	complet	e an
internship	requirement	in a STEM	field as p	rovided by tl	he universit	y system	of New	Hamp	shire
board of tru	stees and sh	all agree to	work in Ne	ew Hampshir	e after grad	uation in	a STEM	I field f	or at
least 5 year	s.	•					2		

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200-N:3 STEM Scholars Fund Established. There is hereby established in the office of the state treasurer a fund to be known as the STEM scholars fund. The fund shall include any sums appropriated for such purpose. In addition, the university system of New Hampshire board of trustees may accept public sector and private sector grants, gifts, or donations of any kind for the purpose of funding the provisions of this chapter. The moneys in this fund shall be nonlapsing and shall be continually appropriated to the higher education commission. The fund may be expended by the university system of New Hampshire board of trustees to award partial scholarships to selected students pursuing studies in a STEM field in accordance with this chapter. The state treasurer may invest moneys in the fund as provided by law, with interest received on such investment credited to the fund.

200-N:4 Rulemaking. The university system board of trustees shall adopt rules, pursuant to RSA 541-A, relative to the following:

- I. Establishing a definition of the specific disciplines in science, technology, engineering, and mathematics that constitute acceptable STEM fields and a definition of the specific types of employment that would qualify as STEM employment.
- II. Instituting a scholarship application process, which includes but is not limited to requiring that all applicants complete a formal scholarship application on appropriate forms to be developed by the board of trustees and time frames for the application process.
 - III. Procedures for awarding and disbursing scholarships.
- IV. Procedures for determining the amount of funds available to provide annual scholarships.
- V. Establishing a procedure requiring students accepting a scholarship under this program to sign an agreement to work in New Hampshire after graduation in a STEM field for a minimum of 5 years. Such agreement shall clearly set forth the terms of the 5-year commitment and the repayment obligation incurred by the student if the 5-year commitment is not fulfilled.
- VI. A procedure for tracking students in the program and for tracking graduates of the program to ensure the conditions of the program are fulfilled.
- VII. Rules establishing the terms of the repayment obligation if the student fails to work in New Hampshire for the required 5 years
- VIII. Any other issue which the board deems relevant to the implementation and administration of the scholarship program.
- 3 New Subparagraph; Application of Receipts; STEM Scholars Fund. Amend RSA 6:12, I(b) by inserting after subparagraph (310) the following new subparagraph:
 - (311) Moneys deposited in the STEM scholars fund established in RSA 200-N:3.
 - 4 Effective Date. This act shall take effect 60 days after its passage.

HB 643-FN - FISCAL NOTE

AN ACT

establishing a science, technology, engineering, and mathematics scholars program.

FISCAL IMPACT:

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill, <u>as</u> <u>introduced</u>, as it is awaiting information from the University System of New Hampshire. When completed, the fiscal note will be forwarded to the House Clerk's Office.

HB 643 FISCAL NOTE

AN ACT

establishing a science, technology, engineering, and mathematics scholars program.

FISCAL IMPACT:

The University System of New Hampshire and the Community College System of New Hampshire state this bill, <u>as introduced</u>, may increase state restricted revenue and expenditures by an indeterminable amount in FY 2014 and each year thereafter. There will be no fiscal impact on county and local revenue and expenditures.

METHODOLOGY:

This bill establishes a scholarship program for students pursuing either a two- or four-year degree in a science, technology, engineering, or mathematics (STEM) field at a public postsecondary institution in the state of New Hampshire. The scholarship will be equal to 75 percent of applicable tuition and academic fees at an institution within the University System of New Hampshire, and 100 percent of applicable tuition and academic fees at an institution within the Community College System of New Hampshire. In order to be eligible for the scholarship, a student must be attending a public or private high school in New Hampshire and have family income less than 200 percent of the state median family income. In addition, the student must complete an internship requirement in a STEM field, and commit to working in New Hampshire in a STEM field for a minimum of five years after graduation. The scholarship is for a maximum of four academic years. The bill states the program shall be administered by the University System of New Hampshire, and establishes a STEM scholars fund which shall include any sums appropriated for such purpose. In addition, the University System board of trustees may accept grants, gifts, and donations for the purpose of funding the bill's provisions. The bill itself does not contain an appropriation.

The System states that it is difficult to estimate the costs of the program because the following elements cannot be accurately forecasted:

- the number of eligible students interested in committing to work in NH for at least five years immediately after graduation;
- the number of students who will not be able to follow through on the five-year employment commitment, due to insufficient job openings or some other factor;
- the actual recovery of scholarship money distributed to students who leave a degree program before graduation, or fail to meet the five-year employment commitment;

- the cost and feasibility of providing internships to all participating students; and
- the cost of administering the program, particularly the post-graduation monitoring of graduates and recovery efforts directed at non-compliant participants.

With the above caveats in mind, the System makes the following assumptions when estimating the bill's fiscal impact. The System assumes:

- the bill applies only to first-time, full-time freshman attending a New Hampshire high school, and not to existing USNH students, part-time students, or transfer students;
- the phrase "any student attending a public or private high school in New Hampshire" means any student currently enrolled in such a school;
- there will be no attrition or transfer out of the program during the maximum four years of program eligibility;
- administrative costs of monitoring the five-year residency requirement will not be incurred until 2018 and so are beyond the scope of this fiscal note;
- there will be ten percent annual growth in participation;
- any funds to be recovered for early withdrawal or non-compliance with the five-year employment requirement will be the liability of the student and not the University System; and
- estimated weighted average FY 2013 in-state tuition and fees for STEM program participants, across all University System institutions, equals \$14,000. Tuition will remain unchanged in FY 2014 and FY 2015, and will rise by three percent to \$14,420 in FY 2016, and by another three percent to \$14,853 in FY 2017.

The System states that during FY 2013, there were 420 first-time, full-time, two- and four-year STEM program students within the University System meeting the criteria specified by the bill. Applying the ten percent annual growth rate mentioned above, and assuming all eligible students are granted a scholarship, the System projects the bill will result in the following scholarship costs beginning in FY 2014:

	FY 2014	FY 2015	FY 2016	FY 2017
Number of new students entering program	462	508	559	615
Cumulative number of students	462	970	1529	2144
Scholarship costs (annual tuition * 75 percent * cumulative # of students)	\$4,851,000	\$10,185,000	\$16,536,135	\$23,883,624

In addition, the System states that although it has not estimated the cost of administering the program, these costs may be substantial. The System assumes that any such costs will be covered by the funds appropriated by the state to run the program. The System further states it has not estimated the cost of the internship requirement, as it is unclear if the System will be able to provide a sufficient number of internships to meet the requirement:

The Community College System of New Hampshire states that with the availability of scholarships, the bill will likely increase the number of students who attend community colleges within the System, resulting in an increase in revenue. The System states the bill will likely increase tuition and fee revenue by an indeterminable amount beginning in FY 2014.

Amendments



Rep. Kurk, Hills. 2 February 25, 2013 2013-0546h 04/09

Amendment to HB 643-FN

Amend the bill by replacing all after the enacting clause with the following:

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 1 New Chapter; Science, Technology, Engineering, and Mathematics (STEM) Scholarship Program. Amend RSA by inserting after chapter 200-M the following new chapter:

CHAPTER 200-N

SCIENCE, TECHNOLOGY, ENGINEERING, AND

MATHEMATICS (STEM) SCHOLARSHIP PRÓGRAM

200-N:1 Program Established. There is hereby established the science, technology, engineering, and mathematics (STEM) scholarship program which shall be administered by the university system of New Hampshire board of trustees. The purpose of this program is to provide academic scholarships to students pursuing a degree in a STEM field at a public postsecondary educational institution in New Hampshire who agree to work in New Hampshire after graduation in a STEM field for a minimum of 5 years. All funds received pursuant to this chapter shall be nonlapsing and continually appropriated to the university system of New Hampshire for the purposes of this program.

200-N:2 Program Criteria.

- I. Any student attending a public or private high school or receiving a general education degree (GED) in New Hampshire who is interested in pursuing an associate's, bachelor's, or master's degree in a STEM field at any public postsecondary educational institution in New Hampshire and whose family income is less than 150 percent of the state median family income based on the most recent calculations by the United States Department of Commerce, Census Bureau, shall be eligible to apply for this program.
- II. Applicants who are selected to receive a scholarship under this program shall meet the academic and other criteria as may be established pursuant to this chapter. Applicants selected shall receive a scholarship for 75 percent of applicable tuition and academic fees at an institution in the university system of New Hampshire, and 100 percent of applicable tuition and academic fees at an institution in the community college system of New Hampshire. No other charges for tuition or academic fees shall be levied against an applicant. The scholarship shall be for a maximum of 5 academic years.
- III. Applicants selected to receive a scholarship under this program shall complete an internship requirement in a STEM field and shall agree to work in New Hampshire after graduation in a STEM field for at least 5 years.

Amendment to HB 643-FN - Page 2 -

1 200-N:3 STEM Scholarship Fund Established. There is hereby established in the office of the 2 state treasurer a fund to be known as the STEM scholarship fund. The fund shall include any sums 3 appropriated for such purpose. In addition, the university system of New Hampshire board of trustees may accept public sector and private sector grants, gifts, or donations of any kind for the 4 5 purpose of funding the provisions of this chapter. The moneys in this fund shall be nonlapsing and 6 shall be continually appropriated to the university system of New Hampshire board of trustees. The 7 fund shall be expended by the board of trustees to award scholarships to selected students pursuing 8 studies in a STEM field in accordance with this chapter, provided that of the total funds awarded in 9 each fiscal year, the portion disbursed to applicants attending institutions within the community 10 college system of New Hampshire and the university system of New Hampshire shall be in the 11 proportion that the number of students enrolled in associate's, bachelor's, and master's degree 12 programs within that system bears to the total number of students enrolled in associate's, bachelor's, 13 and master's degree programs in both systems. The state treasurer may invest moneys in the fund as provided by law, with interest received on such investment credited to the fund. 14

- 200-N:4 Rulemaking. The university system board of trustees, after consultation with the community college system of New Hampshire board of trustees, shall adopt rules pursuant to RSA 541-A relative to the following:
- I. The specific disciplines in science, technology, engineering, and mathematics that constitute acceptable STEM fields and as well as the specific types of employment that would qualify as STEM employment.
 - II. The academic standards by which scholarships shall be awarded.
 - III. Procedures governing internships.

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- IV. Priorities in awarding scholarships where the funds available for scholarships are less than the amount needed for eligible applicants.
- V. A scholarship application process, which includes but is not limited to requiring that all applicants complete a formal scholarship application on appropriate forms to be developed by the board of trustees and time frames for the application process.
 - VI. Procedures for awarding and disbursing scholarships.
- VII. Procedures for determining the amount of funds available to provide annual scholarships.
- VIII. Procedures to recover scholarship funds paid on behalf of applicants who do not complete their degree in a STEM field.
 - IX. Procedures requiring students accepting a scholarship under this program to sign an agreement to work in New Hampshire after graduation in a STEM field for a minimum of 5 years. Such agreement shall clearly set forth the terms of the 5-year commitment and the repayment obligation incurred by the student if the 5-year commitment is not fulfilled.
 - X. A procedure for tracking students in the program and for tracking graduates of the

Amendment to HB 643-FN - Page 3 -



1 program to ensure the conditions of the program are fulfilled.

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- XI. Rules establishing the terms of the repayment obligation if the student fails to work in New Hampshire for the required 5 years.
- XII. Any other issue which the board of trustees deems relevant to the implementation and administration of the scholarship program.
- 6 2 New Subparagraph; Application of Receipts; STEM Scholarship Fund. Amend RSA 6:12, I(b) 7 by inserting after subparagraph (310) the following new subparagraph:
 - (311) Moneys deposited in the STEM scholarship fund established in RSA 200-N:3.
- 9 3 Effective Date. This act shall take effect 60 days after its passage.

Amendment to HB 643-FN - Page 4 -



2013-0546h

AMENDED ANALYSIS

This bill establishes a science, technology, engineering, and mathematics (STEM) scholarship program to provide academic scholarships to students pursuing an associate's, bachelor's, or master's degree in a STEM field at a public postsecondary educational institution in New Hampshire who agree to work in a STEM field in New Hampshire after graduation for a minimum of 5 years.

Hearing Minutes

HOUSE COMMITTEE ON EDUCATION

PUBLIC HEARING ON HB 643-FN

BILL TITLE:

establishing a science, technology, engineering, and mathematics

scholars program.

DATE:

February 26, 2013

LOB ROOM:

207

Time Public Hearing Called to Order:

1:25 p.m.

Time Adjourned:

2:20 p.m.

(please circle if present)

Committee Members: Reps Gile Grassic Frazer, Burket Arsenault, A. Schmidt Rokas, Gorman. Myler Spang, Shaw, Boehm, Greemore Cordell, Ladd Willette Grenier, Pitre Bick and Harris.

Bill Sponsors:

Rep. Kurk, Hills 2

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Ralph Boehm – Introduced bill for sponsor.

*Mark Rubinstein, Vice President, Student Activities, UNH

Rep. Neal Kurk, Sponsor

Submitted Amendment 0546h.

- Aging population in NH
- Many new immigrants
- Now possibly experiencing a drop in population
- Problem # 1 demographic
- Problem # 2 supply and demand for well-educated specialized business workers is lacking.
- Therefore, need for STEM programs
- What is STEM?
 - 1) Full-blown scholarship
 - 2) Must work 5 years in NH state benefits from program
- No contribution needed by families program is self-sufficient
- Program will help state
- Gets degree and then work 5 years in NH
- Administered by the University System
- University Systems set standards
- Argument that University System is underfunded so shouldn't have to establish this program
 - 1) Money proportionately will go back into state by the terms of the program
- New businesses will look to NH to be established
- Money comes from state in funding allocation of University System in budget
- Family income for applicant must be less that 150% of state median family income (about \$60,000).

*Susan Huard, Community College System of NH

Respectfully submitted,

Rep. Barbara Shaw, Clerk

HOUSE COMMITTEE ON EDUCATION

PUBLIC HEARING ON HB 643-FN

BILL TITLE:

establishing a science, technology, engineering, and mathematics

2-26-13

LOB ROOM:

207

Time Public Hearing Called to Order: 1:25 PM

Time Adjourned: よっつ PM

(please circle if present)

Committee Members: Reps. Gile Grassic Frazer Burke Arsenault A. Schmidt Rokas, Gorman, Myler Spang Shaw Boehrd Greemore Cordell Ladd Willette Grenier, Pitre Bick and Harris

Bill Sponsors: Rep. Kurk, Hills 2

TESTIMONY

Use asterisk if written testimony and/or amendments are submitted. OREP. Ralph Boehm - untroduced for sponsor D'Mark Rubinstein - V P Student detuitées UNH * written lestinony 3 Rep. Neal Kurk - sponsor submitted amendment 0546h. aging population in 1974 now possibly experiencing a drop in population . problem #1 demographic Problem # 2 supply and demand for well-educated specialized horners workers is lacking. therefore i need for STEM program (1) full blomm scholarship. (2) hust work 5 yrs in

state benefits from progr

no contribution needed by families - program is self-sufficient.
of program will shelp state gets degree and then work is years in NH , administered by the university System · unwersity systems set standards . argument that university system is underfunded so shouldn't have to establish this program (1) money portantionately will go back into state by the terms of the program new brisinesses will look to NH De de established. money comes from state in funding allocation of University System in budget family encome for applicant must be less than 150% of state median family income (about &0,000) Widusan Huard -CCSNH # written testimony

Testimony

HB643 File Copy

New Hampshire House of Representatives Education Committee

February 26, 2013

HB 643

Mark Rubinstein, Vice President for Student and Academic Services
University of New Hampshire

Madam Chair and members of the committee, thank you for the opportunity to speak with you this afternoon about HB 643. My name is Mark Rubinstein and I serve as the Vice President for Student and Academic Services at the University of New Hampshire. Among other duties, I oversee the university's admissions and financial aid offices. While we appreciate the sponsor's intent to create a new scholarship program for New Hampshire high school graduates interested in STEM fields, as I will discuss, we have a number of concerns with the bill and encourage the committee to vote HB 643 Inexpedient to Legislate.

As the Committee is undoubtedly aware, New Hampshire holds the distinction of providing the lowest level of state funding for public higher education, per capita, among the fifty states. Additionally, in the last biennial budget, New Hampshire effectively defunded the state's grant program, becoming, we believe, the only state in the nation without such a program. Consequently, public higher education is more expensive than in all but a couple of states and students in New Hampshire have far less financial support from this state than is true for students in virtually any other state in the nation. We are concerned that these factors are damaging to our students who have the potential to succeed in college and who have demonstrated need, but who find limited encouragement and few available resources to support their ambitions. We also believe that this is damaging to the long-term interests of the State when these students are unable to prepare themselves to participate in a workforce that is increasingly requiring post-secondary education and training.

For these reasons, we believe that it is important, first, for the state to make a greater investment in funding the University System and the Community College System to support the *quality* of public higher education that we provide to *all* of our students in New Hampshire. Beyond that fundamental investment in high quality public education, we also see value in the State making investments in scholarships and grants for New Hampshire high school graduates, because merit scholarships and need-based grants encourage students to pursue demanding curricula, defray the cost of higher education for those students for whom the cost is a barrier and strengthen New Hampshire's work force for the future.

Still, our appreciation for this particular proposal is tempered by several concerns about this proposed legislation.

First, it is unclear what level of support the sponsor proposes to invest in this program. As written, there is to be a selection process implying that not all students who are potentially eligible will be selected. If the program is to be large enough to have an impact on the future workforce of the State of New Hampshire, there are several administrative issues that we will need to address that are different from the issues surrounding a much smaller program.

Among the issues that will be relevant, regardless of the size of this program are the following:

First, while potentially very generous—covering 75% of tuition and academic fees within the University System and 100% of tuition and academic fees within the Community College System—the structure of this program has the potential to be confusing to many students and their families. This is due to the conditional nature of the award—which can be grant or loan—as well as the interplay between this proposed award and existing financial aid programs.

For the neediest students who are currently eligible for federal grants including Pell and Supplemental Education Opportunity Grants as well as institutional grants, the addition of this substantial "scholarship" will necessarily require reduction in some other forms of aid, because federal aid cannot be paid above the cost of attendance. Additionally, since these "scholarships" have the potential to turn into loans if a student does not work for five years after graduation in a "STEM field" in New Hampshire, the student will have to make a decision about whether to forego access to federally guaranteed student loans (that are likely to have more favorable terms for repayment, forgiveness and forbearance) in order to participate in this program. While less needy students who will not have access to federal grants will be relieved from one of these complicating factors, the others will remain for all students. Additionally, unless there is assurance that this program will persist beyond the initial biennial funding period—and the record of discontinued support for previous State grant and scholarship programs could guide toward caution—students and families might not have confidence that accepting the scholarship—as the basis for a decision to enroll at a USNH or a CCSNH institution—is a wise decision if they have other opportunities, outside of New Hampshire, that are not reliant on this scholarship.

Beyond the complexity associated with meshing this proposed State program with existing financial aid programs is the ambiguity about how the USNH (and CCSNH) Board of Trustees might develop this program to comply with the not-yet-approved statute. For instance, what would happen to a student who satisfies the income criterion (200% of state median family income) in the senior year of high school, but subsequently exceeds that threshold in one or more of the four years of college? Will that student lose eligibility for the program? Will that student's post-graduation employment requirement be "pro-rated?"

At a time when students, families and the federal government are asking colleges and universities to simplify financial aid so that students can better understand and compare college costs, this program—though potentially generous—also has the potential to make that information and those decisions more complicated, because of the uncertainties associated with the internship and employment requirements.

In turn, the internship and employment requirements lead to our second set of concerns that really relate to the scale of the State's proposed investment. If this is to be a relatively small program, it is likely that certain functions such as identifying internship sites and supervising and evaluating internships will fit neatly into the ongoing work that each of our public institutions already does to support students; however, if the intent is to scale this program up to a level that is likely to have a measurable impact on the State's workforce, then we have genuine concerns about our ability to significantly increase our internship programs—at no cost to the State—to include the identification and evaluation of a large number of appropriate new STEM internship sites as well as supervision of those internships to ensure their academic integrity. A high quality internship experience for a student requires considerable support and coordination and if this bill implies "scale," we are talking about possibly hundreds of additional students requiring new internship placements with the accompanying responsibility for supervision and evaluation, again, as proposed, at no cost to the State.

Continuing in the vein of new challenges for USNH and CCSNH institutions would be the need to monitor and track employment of these students after graduation. While all of our institutions are working to improve this function to ensure greater accountability, the responsibility to enforce the Legislature's intent has the potential to be problematic in practice for each of the institutions. Perhaps the most challenging aspect of this bill is that it places the USNH and CCSNH (and presumably each campus) in the position of becoming the "collection agency" for these scholarships if they convert to loans.

In creating this program, if it is to be successful, the Board(s) will need to develop policies that are sufficiently encouraging to attract students to accept the awards, but also transparent regarding the consequences of not satisfying the internship and employment obligations and this is where the program has the potential to be very difficult for institutions to administer.

Assuming adequate funding for four years of enrollment, even with two years at a CCSNH institution, a recipient might receive more than \$30,000 in scholarships during that period. Ideally, that student will graduate and find appropriate employment within New Hampshire—in an appropriate field—to satisfy the scholarship criteria; however, if that graduate finds better employment opportunities outside of New Hampshire, she or he might make a rational "business decision" to accept that employment and repay the \$30,000 as a loan. At that point, will the student find reasonable repayment terms that mirror those for Federal Direct Loans with regard to interest rates, selected hardship forgiveness and forbearance provisions? Or is there an expectation that these terms will be

more stringent as a means of encouraging students to fulfill their obligations? This decision—that must be in place by the time the program is implemented—will affect how many students are willing to accept the award.

If the student first chooses to enroll in graduate school (perhaps in New Hampshire) before employment, will we be asked to capitalize interest during this period, adding to the potential repayment obligation? Again, this policy decision will affect students' decisions about participating in the scholarship program.

If a student begins work after graduation with a New Hampshire-based STEM employer, but that employer then transfers the graduate to another state, will they be in default of their obligations? Or if that employer relocates the entire enterprise or closes down completely? What about another economic downturn that produces widespread unemployment and underemployment that affects these recipients? Under any of these circumstances, have they violated their contract with "us" and will we begin to pursue them in "collections?" And what are the direct costs of administering this program as well as the indirect—but equally real—costs of alienating our alumni by chasing them for these funds under any of the conditions that are beyond their control?

Again, the University strongly encourages the Legislature to invest in core funding for public higher education for both the USNH and CCSNH institutions and to supplement this with targeted grant and scholarship programs that facilitate access and encourage pursuit of demanding curricula in all fields that are likely to produce a well-prepared work force, a vibrant culture and an informed and educated citizenry to ensure New Hampshire's future.

We can envision how a modified version of this proposed legislation could become an integral part of that effort and we would be happy to work with the sponsor and members of this committee on an amended bill that captures what we believe to be the sponsor's intent while addressing our concerns, but as the bill is currently written, we cannot support it and encourage you to vote against it.

Respectfully submitted.

HB 643-FN 3 Decopy



Community College System of New Hampshire
Testimony of Susan Huard, President, Manchester Community College
HB 643, House Education Committee
February 26, 2013

Good afternoon Madame Chairman and members of the Committee. My name is Susan Huard, and I serve as president of Manchester Community College. I am here today representing the Community College System of NH to offer testimony on House Bill 643.

On behalf of the Community College System of NH (CCSNH) I thank you and the sponsor for your interest in supporting New Hampshire students. House Bill 643 would establish a science, technology, engineering and mathematics scholars program to award and administer scholarships to NH students pursuing a 2-year or 4-year degree program in a STEM field at a public postsecondary educational institution in New Hampshire. We certainly understand the need to graduate more students in these STEM fields in order to serve the needs of NH businesses and to ensure the competitiveness of both the New Hampshire and US economy. While we applaud the desire to ease the financial obstacles to postsecondary educational attainment, we are concerned about the complexities of this proposal and the impact it would have on NH families who are navigating college choices and college financing.

We recognize the importance of supporting STEM education and the postsecondary aspirations of New Hampshire students. In fact, CCNSH and the University System of NH have committed jointly to focus on STEM education with the goal of increasing the number of STEM graduates from our two systems. As part of that commitment, we are working actively together on measures that include:

- The creation of new college transfer pathways for students in STEM fields
- Collaboration on program development and delivery
- Promotion of STEM career opportunities to potential and current students and the public
- Strengthening education-to-career pathways for students, including mapping backwards from industry need to develop curriculum, creating customized programs, and developing other workforce initiatives in partnership with NH employers
- A commitment to expand access to educational opportunities in STEM fields for NH residents across all regions of the state and all socio-economic groups

STEM program areas at the community colleges include a broad range of Computer Technology programs, Advanced Machine Tool Technology, Mechatronics, Automation and Robotics, Mechanical Engineering Technology, Mechanical Design Technology, Numerical Control Programming, Electrical Engineering Technology, Biotechnology, Precision Welding, Energy Services Technology, Computer-Aided Design, Electrical Power and Control Technologies, Advanced Manufacturing Process, and Aviation Technology, at the certificate and/or associate degree level. We are aggressively building our advanced manufacturing programs, working in close partnership with NH employers. For example, we are currently working in partnership with Albany International Corp. and Safran Aerospace, two companies that recently related to the Rochester area with plans to expand their NH workforce by more

than 400 employees, to develop programs in Advanced Composite Manufacturing that will train residents for high-skill careers in in the aerospace industry.

Financial support would assist our efforts to strengthen NH's STEM workforce. However, we respectfully encourage your consideration of the following questions and concerns related to HB 643.

- We support state efforts to provide scholarship aid to NH students attending in-state institutions of higher education. Need-based aid is particularly important to community college students. However, desired ends would not be served if such support resulted in the diminishment of state support for the core operational capacity of our public postsecondary institutions, which serve thousands of NH students. The community colleges and the university system offer a broad range of opportunities for students to achieve educational and career goals, advance economically, and meet workforce needs in New Hampshire. Investment in core funding for our institutions is critical to our ability to continue to fill this role across New Hampshire, to sustain the quality of our institutions and the educational opportunities for all of our students.
- HB 643 would award funds to students pursuing a 2-year or four-year degree in a STEM field. At the community colleges, we offer certificate programs that are less than 2 years in duration. A certificate program offers students an expedient route to the workforce, having attained skills to become qualified technicians in demand in a range of STEM-related industries. In addition, many of our students start out in a certificate program and then shift into an associate degree program at some point in their educational pathway. We are concerned that students in certificate programs, an important pipeline to associate, baccalaureate and advanced degrees, would not be eligible for scholarships as set forth in HB 643.
- The bill requires the University System of NH to administer the science, technology, engineering and mathematics scholars program at no cost to the state. While representatives from USNH can address any issues related to this requirement, we are unsure of the parameters that would govern the interaction between community college students and the administrative structure the University System would develop to carry out the requirements of this program. This includes verifying applicants' and students' initial and continuing eligibility under the criteria set forth in the bill, tracking the completion of community college students' internships as set forth in the bill, monitoring whether scholarship recipients who attended the community colleges remain employed in a STEM field in NH for 5 years, and managing repayment plans for those who do not. If the intent is for both systems to administer the program for their own students and graduates, we would echo concerns addressed by the University System about the administrative elements that would result from HB 643 as currently structured.
- We are concerned about the sustainability of scholarship aid under this proposed program and the impact that would have on student retention.

Again, we appreciate the intent of House Bill 643 to support NH students pursuing an education in science, technology, engineering and math. Along with need-based aid, merit-based and targeted aid can be important tools in our strategy to extend the benefits of postsecondary education to more NH residents and to meet important workforce needs. We value the partnership that exists between our public institutions of higher education and NH's elected officials to assure the best possible opportunities for our population and the competitiveness of our State's economy.

Thank you for your consideration of our testimony.

Voting Sheets

HOUSE COMMITTEE ON EDUCATION

EXECUTIVE SESSION on HB 643-FN

BILL TITLE: establishing a science, technology, engineering, and mathematics

scholars program.

DATE:

March 5, 2013

LOB ROOM:

207

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Andrew R. Schmidt

Seconded by Rep. Joseph Pitre

Vote: 20-0 (Please attach record of roll call vote.)

Motions:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

(Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 20-0 YES

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent:

Refer to Committee Report

Rep. Barbara E. Shaw, Clerk

HOUSE COMMITTEE ON EDUCATION

EXECUTIVE SESSION on HB 643-FN

BILL TITLE:

establishing a science, technology, engineering, and mathematics

scholars program.

DATE:

3-5-2013

LOB ROOM:

207

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Sahmidt

Seconded by Rep. Pitte

Vote: 90-0 (Please attach record of roll call vote.)

Motions:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

(Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 20-0 Yes

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent:

Refer to Committee Report

Respectfully submitted,

Rep. Barbara E. Shaw, Clerk



STATE OF NEW HAMPSHIRE OFFICE OF THE HOUSE CLERK

1/10/2013 8:43:55 AM Roll Call Committee Registers Report

2013 SESSION

BIII #: HB 643-FN Title:	a lacence, lich	, scholars prog
PH Date: 02/26 2013	Exec Session Date: 03/	05,2013
Motion: TTL	Amendment #:	
<u>MEMBER</u>	YEAS	<u>NAYS</u>
Gile, Mary Stuart, Chairman		
Grassie, Anne C, V Chairman	V	
Shaw, Barbara E, Clerk		
Gorman, Mary J		
Burke, Rachel B		,
Frazer, June M		
Spang, Judith T		
Arsenault, Beth R		,
Rokas, Fed Bartlett Christy		
Schmidt, Andrew R		
Myler, Mel		
Boehm, Ralph G		
Ladd, Rick M		
Greemore, Robert H	$\sqrt{}$	
Pitre, Joseph A		
Willette, Robert F		
Bick, Patrick J		
Cordelli, Glenn		
Grenier, James L		
Harris, Jeffrey F		
TOTAL VOTE:	· ,	

Committee Report

CONSENT CALENDAR

March 13, 2013

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on <u>EDUCATION</u> to which was referred HB643-FN,

AN ACT establishing a science, technology, engineering, and mathematics scholars program. Having considered the same, report the same with the following

Resolution: RESOLVED, That it is INEXPEDIENT TO LEGISLATE.

Rep. Andrew R Schmidt

FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

COMMITTEE REPORT

Committee:	EDUCATION
Bill Number:	HB643-FN
Title:	establishing a science, technology, engineering, and mathematics scholars program.
Date:	March 5, 2013
Consent Calendar:	YES
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

This bill, while noble in intent, presents some problems. First of all, the scholarships are based upon academic major rather than merit and/or financial need. Second, the bill gives improper preference to one area of study over all others. The Education Committee also felt that our limited resources would be best applied to the university system as a whole rather than to students in a specific area of study. Finally, the bill presents administration problems due to its forfeiture and repayment provisions.

Vote 20-0.

Rep. Andrew R Schmidt FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

CONSENT CALENDAR

EDUCATION

HB643-FN, establishing a science, technology, engineering, and mathematics scholars program. INEXPEDIENT TO LEGISLATE.

Rep. Andrew R Schmidt for EDUCATION. This bill, while noble in intent, presents some problems. First of all, the scholarships are based upon academic major rather than merit and/or financial need. Second, the bill gives improper preference to one area of study over all others. The Education Committee also felt that our limited resources would be best applied to the university system as a whole rather than to students in a specific area of study. Finally, the bill presents administration problems due to its forfeiture and repayment provisions. Vote 20-0.

Original: House Clerk

Cc: Committee Bill File

HB 643-FN establishing a science, technology, engineering, and mathematics scholars program.

This bill, while noble in intent, presents some problems. First of all, the scholarships are based upon academic major rather than merit and/or financial need. Second, the bill gives improper preference to one area of study over all others. The Education Committee also felt that our limited resources would be best applied to the university system as a whole rather than to students in a specific area of study. Finally, the bill presents administration problems due to its forfeiture and repayment provisions.

Rep. Andrew Schmidt For the Committee 20-0 ITL CC

Mary Swarf Cite

COMMITTEE REPORT

COMMITTEE: EQUEALION
BILL NUMBER: H13 643-FN
TITLE: Establishing a science, technology,
engineering, and mathematics scholars pr
DATE: 3-5-2013 CONSENT CALENDAR: YES NO
OUGHT TO PASS
OUGHT TO PASS W/ AMENDMENT Amendment No.
A INEXPEDIENT TO LEGISLATE
INTERIM STUDY (Available only 2 nd year of biennium)
STATEMENT OF INTENT:
HB 413, while noble in intent, presents some
problems. Pirst of all the scholarships are
based upon acedemic major rather Thin
ment and for financial neal Beaut the
Authories im proper preference of to one area
of They only all others. The extrestion committee
also felt that our limited sesources would be
Leest applied to the university system as a whole
rather thank students in a specific use of studen
Emally the lift presents administrative problems due to
ils forfiture and separament provisions
COMMITTEE VOTE: 20 – 0
RESPECTFULLY SUBMITTED,
Copy to Committee Bill File Use Another Report for Minority Report

For the Committee

Rev. 02/01/07 - Yellow