Good Morning

Mr. Chairman and members of the committee, I am Brady Deaton, Chancellor of the University of Missouri at Columbia but appearing before you today on behalf of the Missouri Council on Public Higher Education or “COPHE.” COPHE is the association of Missouri’s nine public universities and the four campuses of the University of Missouri System.

HB 1812 would equalize Access Missouri student financial aid to students with the same financial need regardless of whether they are enrolled at a public or a private four-year university.

Under current law, students with identical family incomes can receive maximum Access Missouri awards of $4,600 per year at private colleges but awards of only $2,150 per year if they attend a public university. Data from the 2008 academic year indicate that students at private colleges account for about 29 percent of Access Missouri recipients but receive about 52 percent of the funding. HB 1812 would level the playing field by offering students maximum awards of
$2,850 at both public and private universities. At this award level, the bill does not increase the program’s cost beyond the Governor’s FY 2010 recommendation of $91 million.

The new award amounts would begin in FY 2014 effectively grandfathering all Access recipients currently enrolled in private schools at the current award level. This delayed implementation should give students and universities ample time to prepare for the new award structure.

HB 1812 would make the Access Missouri program more efficient and return a greater overall value to the state. Since there are almost twice as many eligible students at public universities, equalizing the award levels would raise the median award amount and provide more state assistance to a greater number of students. This is better public policy and a more efficient use of scarce state resources.

The member universities of COPHE value the contributions of Missouri’s private colleges and do not want to make their students ineligible for Access Missouri student aid. However, out of fairness, we think students at public universities are just as deserving and should be treated equally. In fact, I can think of no other public program that financially rewards participants for choosing higher cost services.

Today, Missouri ranks 4th in the nation in the percent of student financial aid going to students at private colleges while we continue to rank 47th in state per capita funding for public higher education.

Finally, the public two-year and four-year institutions agreed to Access Missouri when it was a $25 million program and a promise was made that the funding would not increase at the expense of operating support. Today, the program has grown to $92 million. On the one hand, public higher education institutions have caps on tuition as well as voluntary agreements to keep tuition flat in the face of declining state support. Private higher education institutions, on the other hand, have been free to increase tuition at rates that exceed inflation and enjoy significant increases in state support through the Access program.
Please support HB 1812 and direct additional aid to students who need financial assistance to attend public universities.

Thank you.

Summary Data

Current Access policy:
- Two-year public students receive $1,000 per year maximum.
- Four-year public students receive $2,150 per year maximum.
- Independent school students receive $4,600 per year maximum.

Proposed Access policy:
- Two-year public students receive $1,250 per year maximum.
- Four-year public students receive $2,850 per year maximum.
- Independent school students receive $2,850 per year maximum.

Bill Summary

HB 1812 – This act modifies the financial assistance amounts provided through the Access Missouri Financial Assistance Program. The financial assistance amounts currently in existence will be applicable for academic year 2010-2011 through academic year 2014-2015. In addition, this act adds new financial assistance amounts for the 2015-2016 academic year and beyond. A student attending an institution classified as part of the public two-year sector will be eligible for $1,250 maximum and $300 minimum. A student attending an institution classified as part of the public four-year sector, including Linn State Technical College, or approved private institutions will be eligible for $2,850 maximum and $1,500 minimum.