

September 11-12, 2019

## INFORMATION ITEM

### Consolidation and Modification of BOR Policies related to Montana Resident Student Financial Aid Program

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#### THAT

The Office of the Commissioner of Higher Education (OCHE) will bring forward a proposal to modify and consolidate multiple existing board policies related to resident student financial aid at a future Board of Regents (BOR) meeting, creating a new overarching Montana resident student financial aid policy that mirrors state statute and Legislative intent. Affected programs include:

- Montana Access Scholarship Program
  - Montana STEM Scholarship Program
  - Montana Work Study Program
  - Supplemental Education Opportunity Grant (SEOG) Program
  - Montana Tuition Assistance Program (MTAP)
  - Montana Higher Education Grant (MHEG)
  - Governor's Post-Secondary Scholarship Program
  - Quality Educator Loan Assistance Program
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#### EXPLANATION

With the passage Senate Bill (SB) 60, the 2019 Montana Legislature significantly revised the state resident student financial aid laws providing financial aid to resident Montana postsecondary undergraduate and graduate students. In collaboration with the Board of Regents and the MUS postsecondary institutions, the Legislature revised state statute to establish a new financial aid framework which adopts a three-pronged approach to resident student financial aid, creating three distinct categories of financial aid programs for undergraduate students:

- An Incentive Program funded by the state to encourage Montana resident students to pursue postsecondary credentials in science, technology, engineering, math (STEM), and health care fields that satisfy current and anticipated economic and workforce development needs in the state.
- A Merit Program aimed at recruiting and retaining the highest-achieving Montana resident students to units of the Montana University System, funded through tuition waivers, discounts, and other financial aid pursuant to policies adopted by the Board of Regents.
- An Access to Higher Education Program to provide scholarships and other financial aid, funded by the foundations that have been established for the benefit of units of the university system, to Montana resident students who demonstrate financial need.

Under the bill, the Legislature also stated their intent to maximize federal need-based aid and work-study awards by providing sufficient state funding to meet federal matching requirements when possible and affirmed their commitment to continue support of graduate exchange programs for Montana residents pursuing professional degrees outside the state.

SB 60 also eliminated the Governor's Postsecondary Scholarship Advisory Council and repealed the Governor's Postsecondary Scholarship Program; while other legislative actions lead to the removal of the Montana Tuition Assistance Program (MTAP) and the Montana Higher Education Grant (MHEG) in addition to the transfer of the Quality Educator Loan Assistance Program from OCHE to the Office of Public Instruction (OPI).

As a result of the above changes, OCHE recommends that the remaining programs and BOR policies be packaged into one overarching policy to mirror and augment state statute regarding the newly restructured Montana Student Financial Aid Program and its components.

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**ATTACHMENTS**

None