

New England Board of Higher Education Legislative Advisory Committee Meeting Marriott at Sable Oaks Portland, Maine Thursday, September 14, 2017

Connecticut

On June 7, 2017, Connecticut legislators wrapped up their session without passing a two-year budget. The failure to pass a budget or a provisional budget reflects a deeply divided Legislature with an 18-18 split in the Senate and a slight Democratic majority, 79-72, in the House. As lawmakers adjourned, Gov. Dannel Malloy chastised them for failing to break the deadlock and pass a budget.

A big sticking point is a deficit of \$3.5 billion over the two-year budget cycle. Previously, the deficit was estimated at \$5 billion but was reduced to \$3.5 billion as a result of concessions negotiated with state labor unions that are slated to save \$1.57 billion over the next two years. The deficit for FY18 is \$1.6 billion.

Malloy has indicated that at least \$116 million would be cut from three of the state's major human services agencies—Social Services, Developmental Services and Mental Health and Addiction Services. The state's hospitals could also be the victim of cuts. Malloy noted that state tax reimbursements of \$35.6 million would, in turn, trigger \$75.8 million in federal Medicaid funds, which could also be lost. His plan seeks to restore these funds.

One of the big challenges facing Malloy is getting the support of Connecticut municipalities to close the deficit. He has asked for the cooperation of municipal leaders to contribute to the teacher's pension system, which is now financed by the state and the state's teachers. Malloy also wants local leaders to help come up with a new formula for distributing a reduced amount of local aid to school districts. As if things weren't bad enough, the capitol city of Hartford has declared bankruptcy and is looking for a state bailout.

Legislators have been advised they will be called into session during the week of Sept. 11 to address the stalemate on the budget. Solutions to help resolve this situation include new sources of revenue such as a hike in the sales tax. The current rate is 6.35%, which is the 12th highest in the U.S. The proposed increase would raise the tax to 6.99% which would be the second highest in the country. (California is the highest with a rate of 7.25%.) Another source of revenue, which has already received approval is a third casino proposed for East Windsor.

Legislation Passed and Signed Into Law

HB 5590

AN ACT CREATING A TASK FORCE TO IMPROVE THE WORKFORCE DEVELOPMENT SYSTEM IN THE STATE OF CONNECTICUT

Codifies the state's existing longitudinal data system and governing board. Requires the state's Labor Commissioner to develop a universal intake form for persons entering American Job Centers or Workforce Development Board facilities. The Commissioner uses the information from the standardized intake forms for an annual report to the General Assembly, including: the number of people using American Job Center or Workforce Development Board employment rates and average wages of persons who utilized those services; the number of people in various pathways; and the industry sectors in which completers find employment.

HB 7271

AN ACT CONCERNING THE ESTABLISHMENT OF A TECHNICAL HIGH SCHOOL SYSTEM

Establishes the technical school system as an independent state agency, beginning July 2019.

HB 7202

AN ACT ESTABLISHING A DIVISION OF POSTSECONDARY EDUCATION PROGRAMS WITHIN THE TECHNICAL HIGH SCHOOL SYSTEM

Classifies licensed practical nurse programs and aviation maintenance programs as "postsecondary education programs" to maintain students' eligibility to for federal Pell Grants.

JR 100

RESOLUTION APPROVING A STATE CONSTITUTIONAL AMENDMENT TO PROTECT TRANSPORTATION FUNDS

Voters in the November 2018 election will decide whether to amend the state Constitution to ensure that money in the Special Transportation Fund be used solely for transportation-related costs—a transportation "lockbox."

SB 957

AN ACT CONCERNING THE REGULATION OF GAMING AND THE AUTHORIZATION OF A CASINO GAMING FACILITY IN THE STATE

A third casino supported by the Mashantucket Pequot Tribe and the Mohegan Tribe was approved for East Windsor. This would be the first casino built on non-tribal land. MGM Resorts International, which has a casino under construction in Springfield, Mass., has issued a court challenge to the action taken by the Connecticut General Assembly.

HB 7044

AN ACT CONCERNING PRETRIAL JUSTICE REFORM

Reduces the chance some defendants will be jailed solely over their inability to afford bail.

HB 6695

AN ACT PROTECTING YOUTH FROM CONVERSION THERAPY

Bans conversion therapy for changing the sexual orientation of minors—a discredited practice blamed for depression and teen suicide.

SB 895

AN ACT CONCERNING THE DEPARTMENT OF CHILDREN AND FAMILIES' STANDARDS AND REPORTING REQUIREMENTS

Improves investigating tools related to allegations of abused and neglected children. Requires Department of Children and Families to establish protocols for proper visitation and oversight by caseworkers.

HB 6741

AN ACT CONCERNING THE RIGHT OF COUNSEL TO ACCESS RECORDS IN CERTAIN ABUSE AND NEGLECT PROCEEDINGS

Grants attorneys immediate access to records of abused and/or neglected children in the foster care system.

SB 912

AN ACT CONCERNING REVISIONS TO THE STAFF QUALIFICATIONS REQUIREMENT FOR EARLY CHILDHOOD EDUCATORS

Requires an associate degree in early childhood education to be employed at statefunded preschool programs.

SB 1026

AN ACT CONCERNING REVISIONS TO THE HIGH SCHOOL GRADUATION REQUIREMENTS

Delays and revises the requirements set to go into effect with the freshman fall class that would have required additional credits in math, science and foreign language, senior project and passing exams in algebra, geometry, biology, American History and English to graduate as ordered by Superior Court judge. The legislation does away with exit exams and a senior project while expanding the description of courses needed for students to graduate.

Legislation That Failed

SB 17

AN ACT ASSISTING STUDENTS WITHOUT LEGAL IMMIGRATION STATUS WITH THE COST OF COLLEGE

Would include undocumented students as eligible for student financial aid.

SB 071

AN ACT CONCERNING THE PROMOTION OF TRANSFER AND ARTICULATION AGREEMENTS

Streamlines the process for transferring credits from community colleges to state universities, resolves the lost transfer credit

HB 37

RESOLUTION PROPOSING A STATE CONSTITUTIONAL AMENDMENT TO PROVIDE FOR LEGISLATION BY DIRECT INITIATIVE AND REFERENDUM

Requires a change in the state constitution, which could take several years unless the General Assembly votes by supermajority to put a constitutional amendment on the ballot. Approved by House; Senate failed to vote on this.

SB 972

AN ACT CONCERNING TUITION INTEGRITY AT FOR-PROFIT INSTITUTIONS OF HIGHER EDUCATION

Limits what for-profit colleges can spend on advertising to recruit students while putting a cap on federal financial aid spent on non-instructional costs.

HB 797

AN ACT CONCERNING THE LICENSING OF NEW AND USED CARS DEALERS

Authorizes the commissioner of motor vehicles to issue a new or used car dealer's license to an electric vehicle manufacturer.

SB 586

AN ACT EXPANDING MANDATED HEALTH BENEFITS FOR WOMEN, CHILDREN AND ADOLESCENTS

Preserves the Affordable Care Act's protection for women and children in Connecticut should the ACA law be repealed. Failed in House; passed in Senate.

K-12 and Higher Education In Limbo Without a State Budget K-12 Funding

On Aug. 15, school superintendents, teachers, administrators, members of school boards and parents pleaded with Malloy and members of the Connecticut General Assembly to produce a budget before the school year starts. The failure to produce a budget has forced school districts to cut dozens of positions and put hundreds more on hold.

Higher Education Funding

Malloy proposed cutting an additional \$62.2 million for the University of Connecticut, the UConn Health Center, Connecticut state colleges and universities. Both the UConn and the Board of Regents for Higher Education are expected to wait on setting final budgets until the size of the cuts are known.

Maine

The first regular session of Maine's 128th state Legislature was exceptionally challenging, as lawmakers engaged in a bitter fight over the budget while wrestling with four ballot questions approved by voters in the November 2016 election. Lawmakers were divided on Question 2, which was approved by voters and would have imposed a 3% tax on those making \$200,000 or more. Funds would be used to support teacher salaries in K-12 school districts. Lawmakers rejected this question, but included \$162 million in new funding for K-12 school districts in the budget—providing an additional \$48.4 million in FY18 and \$113.6 million in FY19.

Days before the July 4 holiday, budget deliberations reached an impasse, resulting in a four-day government shutdown. Lawmakers reached a compromise, and on July 4, Gov. Paul LePage signed a two-year budget of \$7.1 billion. This legislative session lasted nine months, the longest on record.

Part of the final budget included the following:

- New education funding for K-12 school districts in the amount of \$162 million (this was the response of legislators who agreed to reject Question 2),
- Budget language to prevent further cuts to support services for children and adults with severe and persistent mental illness,
- A transfer of \$3 million into Maine Clean Election Fund to provide access to funds for candidates for governor and the Legislature,
- An investment of \$14.25 million in additional funding for employees serving those with disabilities.
- Doubling the number of hours to serve Mainers receiving disability services,
- Continues the reimbursement rate for "Critical Access Hospitals" that serve most
 of Maine's uninsured residents statewide.

Legislative Action on Ballot Questions 1, 2, 4 and 5:

- Question 1 provides for the legalization and regulation of recreational marijuana. Lawmakers passed legislation, subsequently signed by the governor, to delay implementation to February 2018.
- Question 2 imposes a 3% tax on those making \$200,000 to fund education. Lawmakers rejected this question, siding with opponents who argued that it would hurt the economy, particularly small businesses, and would leave Maine with one of the highest marginal tax rates in the country.
- Question 4 raises the minimum wage in increments to \$12 per hour by 2020. Lawmakers passed LD 673, which restores the tip credit and allows employers to pay tipped workers, half the minimum wage.
- Question 5 provides for rank choice voting. Under this system, voters rank candidates in order of preference. If no one has 50% of the vote after the first count, the candidate with the fewest votes is eliminated. Voters who chose the candidate who had been eliminated would have their ballots added to the total of the second ranked candidate. Then the votes would be re-tabulated. This process continues until one candidate has a clear majority of the vote. Lawmakers failed to pass legislation to overturn the voters' will. The Maine Judicial Supreme Court ruled rank choice voting unconstitutional, but the vote to approve the ballot question still stands.

Legislation Passed and Signed Into Law

LD 9

AN ACT TO PROHIBIT THE CREATION OF A FIREARMS OWNERS REGISTRY

Prohibits a state agency or political unit from keeping a comprehensive registry of privately owned firearms and the owners of those firearms within its jurisdiction.

LD 820

AN ACT TO PROTECT MAINE'S CLEAN WATER AND TAXPAYERS FROM MINING POLLUTION

Bans open-pit mining and other mining operations on public lands, prohibits underwater storage of mine waste, requires mining companies to create a trust fund large enough to cover the costs of cleaning up or treating any environmental contamination on a site for at least 100 years after closure of the mine.

LD 88

AN ACT TO DELAY THE IMPLEMENTATION OF CERTAIN PORTIONS OF THE MARIJUANA LEGALIZATION ACT

Clarifies that marijuana is legal for Mainers age 21 or older, prohibits the consumption of marijuana while operating a vehicle and delays the start of retail sales until February 2018, giving agencies more time to craft and implement rules governing the industry.

LD 952

AN ACT TO ENSURE ACCESS TO OPIATE ADDICTION TREATMENT IN MAINE

Allows but does not require the Maine Department of Health and Human Services to increase Maine's Medicaid reimbursement rate to methadone providers—currently \$60 per person per week, the lowest in the nation.

LD 1089

AN ACT TO PROHIBIT THE USE OF HANDHELD PHONES AND DEVICES WHILE DRIVING

Prohibits a person from using a mobile telephone or handheld electronic device while operating a motor vehicle, unless the phone or device allows for hands-free operation and the hands-free feature is, in fact, being used by a person 18 years of age, or older or the mobile telephone or device is being used to communicate with law enforcement or emergency services personnel under emergency circumstances.

LD 1120

AN ACT TO REDUCE YOUTH ACCESS TO TOBACCO PRODUCTS

Prohibits someone who has not reached age 21 from purchasing tobacco products.

Legislation That Failed

LD 1467

AN ACT TO EXPAND COMPETITIVE SKILLS SCHOLARSHIPS AND STRENGTHEN MAINE'S WORKFORCE DEVELOPMENT PROGRAM

Proposes to expand and strengthen the Competitive Skills Scholarship Program that helps low-income, underemployed and unemployed workers acquire new skills needed to obtain good-paying jobs in growing industries. Builds on a successful program that helps Mainers get good jobs, and helps small businesses find workers with the skills they need to succeed.

<u>Higher Education Funding, Tuition and Fees</u> University of Maine System

For the first time in six years, tuition rates will go up at University of Maine campuses. In-state rates will increase from \$8,370 to \$8,580 and will go into effect in fall 2017. Of great concern to the University System is \$25 million in funding that could be lost in the federal budget proposed by the Trump administration. This includes \$8.3 million in indirect costs for federal grants at the University of Maine, as well as several programs that could be cut or eliminated. The Trump budget makes significant cuts for Federal Work Study, Trio, and SEOG grants and eliminates funding for the Sea Grant program.

Maine Community College System

Tuition and fees at Maine's community colleges will not increase. Tuition and fees average \$3,600 per year, which is the lowest in New England.

The FY18 budget funds the Maine Community College Systems Strategic Workforce Initiative at \$10 million, which is designed to give Mainers the skills and training necessary for immediate employment.

Massachusetts

Two weeks into FY 2018, Gov. Charlie Baker signed a \$39.4 billion spending package that increases spending by 1.7% over the prior year. He vetoed \$320 million from the budget, including \$222 million in spending for MassHealth, the state's Medicaid program. Baker has proposed reforms to MassHealth including a "gate" which blocks eligibility for full-time workers who have access to affordable health coverage through their employers. The pared-down budget contains no new taxes or fees. Other features of the budget are listed as follows:

- \$3.5 million for new State Police division that focuses on homeland security, criminal intelligence and counter-terrorism,
- \$6 million for gang-prevention initiatives called "Shannon Grants",
- An increase in funding for the Department of Children and Families by \$9.8 million to support 450 new employees,
- Language to allow casinos to serve alcohol until 4 a.m.,
- Transfers \$127 million in operating funds to MBTA and adds \$60 million in new capital funding.

The legislative session was scheduled to resume after Labor Day when legislators will tackle issues associated with MassHealth, including eligibility and trimming Medicaid costs. Other issues include immigration and criminal justice reform. Legislation called the "Safe Communities Act" would impose sharp limits on cooperation between local police and federal immigration officers.

The Legislature will also take up criminal justice reform, AirBnB (online marketing and hospitality service) and issues regarding "distracted driving." Lawmakers may also take up Baker's vetoes in the FY18 budget.

On June 14, 2017, Massachusetts lawmakers voted to approve an amendment to the state Constitution, known as the Fair Share Amendment, which would impose a 4% surtax on millionaires. The measure will go on the 2018 November ballot. The surtax would apply only to portions of income over \$1 million. The state's current income tax rate is 5.1%. The 4% surtax would raise an estimated \$2 billion per year for education and transportation

Legislation Passed and Signed Into Law

HB 3731

Filed by Gov. Charles Baker Pursuant to Article 87, Amendments to the Constitution.

AN ACT TO REORGANIZE THE INFORMATION TECHNOLOGY FUNCTION
OF THE COMMONWEALTH TO IMPROVE DATA SECURITY, SAFEGUARD
PRIVACY AND PROMOTE BETTER SERVICE DELIVERY

Office of Information Technology (MassIT) to be re-established as the Executive Office of Technology Services and Security, led by a new secretary of technology who will be part of the governor's cabinet.

HB 3776

AN ACT TO ENSURE THE PUBLIC HEALTH AND SAFETY OF PATIENT AND CONSUMER ACCESS TO MEDICAL AND ADULT USE OF MARIJUANA IN THE COMMONWEALTH

Revises the ballot question that was approved by voters and sets a 10.75% state excise tax on recreational marijuana that would be assessed on top of the state's regular 6.25% sales tax. Local communities can also tack on an additional 3% tax on pot sales, totaling a 20% tax. Medical marijuana would remain untaxed.

S 2093

AN ACT ESTABLISHING THE MASSACHUSETTS PREGNANCY WORKERS FAIRNESS ACT

Offers pregnant women reasonable accommodations, including more frequent or longer paid or unpaid breaks, time off to recover from childbirth with or without pay, acquisition or modification of equipment, seating, temporary transfer to a less strenuous or hazardous position, job restructuring, light duty, break time and private non-bathroom space for expressing breast milk, assistance with manual labor or modified work schedules.

H. 3648

AN ACT PROVIDING FOR THE FINANCING OF CERTAIN IMPROVEMENTS TO MUNICIPAL ROADS AND SERVICES

Authorizes \$200 million in Chapter 90 transportation funds for municipalities across the Commonwealth in this construction season. Chapter 90 transportation funding supports reimbursement of municipalities for road-related construction projects and comes from general obligation bond issuances.

H. 4056

AN ACT RELATIVE TO SUBSTANCE USE, TREATMENT AND EDUCATION

Includes numerous recommendations from the Governor's Opioid Working Group, including prevention education for students and doctors. This is the first law in the nation to establish a seven-day limit on first-time opioid prescriptions.

S. 2505

AN ACT PROMOTING ZERO VEHICLE EMISSION ADOPTION

Works to increase access to zero-emission vehicle (ZEV) charging stations for the general public by prohibiting owners of public charging stations from charging users a subscription or membership fee and requiring the use of payment options available to the general public. The legislation also allows municipalities and private businesses to restrict parking spaces specifically for ZEV use.

H. 4569

AN ACT RELATIVE TO JOB CREATION AND WORKFORCE DEVELOPMENT

Provides tax credits to promote investments in new companies, creates a commission to examine online gaming in Massachusetts, and encourages workforce development by extending to families a new tax deduction tied to college savings plans. The SoarMA initiative makes 529 college savings accounts available to families of eligible seventh-graders from five pilot schools. Funded through public and private partnerships, every account will be seeded with \$50, and families must save at least \$100 in the first year to become eligible for matching funds up to \$500 saved toward future college tuition payments. At the present time, funding for the program is in question and proponents hope to resolve the issue during the legislative session.

The bill also establishes an "angel investor tax credit" to encourage early investment in new companies. Investors would be able to receive an income tax credit of 20% of their investment in qualifying Massachusetts businesses that have no more than 20 full-time employees and \$500,000 in revenues. For fledgling businesses located in the state's 26 "gateway cities" where educational attainment and median income are below the state's average, the credit totals 30% of the investment.

K-12 Funding

The budget includes a 2% increase in funding or \$4.74 billion in Chapter 70 aid to cities and towns, which reflects a minimum spending increase of \$30 per pupil for 322 operating school districts. Overall Chapter 70 aid increases by \$119 million. Also included in the budget is a \$38.5 rate increase for Early Education Care. The budget level-funds charter schools reimbursement at \$80.5 million.

Higher Education Funding

The University of Massachusetts Board of Trustees raised tuition and fees by 3%. As a result, students will pay \$416 more in the coming academic year. All five campuses will share a pot of \$3.3 billion for FY18, which falls short of the requested amount. The State University Incentive Grants (originally funded for \$2.5 million in the House budget and \$2.9 million in the Senate budget) were eliminated in the compromise budget.

Language was included in the final budget authorizing the Massachusetts Department of Higher Education to allow accredited, degree-granting institutions in Massachusetts to deliver distance-education programs to other states who are part of the State Authorization Reciprocity Agreement (SARA). SARA is a program of the New England Board of Higher Education.

Free College

Building on the Commonwealth Commitment program and the city of Boston's Tuition Free Community College initiative, which were both established in 2016, a new pilot program called the Boston Bridge is available to all 2017 high school graduates who live in the city of Boston, including students from Boston Public Schools, charter schools and parochial schools. The city of Boston and the Commonwealth together will cover students' tuition and fees, after taking into account federal Pell grants, from the time a student enters community college to when they graduate from a four-year public college or university. Students who enroll in Boston Bridge must major in one of the Mass Transfer pathways, which ensures that credits earned in any community college are accepted at any public four-year institution. Pathways include biology, chemistry, economics, history, political science and psychology.

New Hampshire

New Hampshire lawmakers ended hard-fought budget deliberations on June 22 and passed a two-year \$17.7 billion budget along party lines. During House budget deliberations, Republicans faced opposition in their own party coming from the newly formed Freedom Caucus. The result was the Republican-dominated House failed to produce a budget, which hadn't happened in several decades. The Republican House and Senate eventually overcame the objections of conservative factions, including the House Republican Alliance and the Freedom Caucus. The final budget represents an increase in overall spending of 4.1% with cuts in the business tax, elimination of the electricity consumption tax and new mobile scratch tickets, all of which Republicans say will balance the budget.

The budget:

- Cuts the business profits tax from 8.2% to 7.5% for business with more than \$50,000 in receipts,
- Cuts the business enterprise tax which is applied to wages, interest and dividends, lowering the rate from 0.72% to 0.5%,
- Brings the state's Rainy Day Fund up to \$100 million,
- Invests in mental health and child protection services, including \$22.6 million and 60 new beds for community treatment options, and creates a fourth rapid response mobile crisis unit to divert hospitalizations for mental health issues,
- e Eliminates the Department of Resources and Economic Development (DRED) and creates two separate agencies; the Department of Natural and Cultural Resources, which will oversee two divisions; Parks and Recreation and Forests and Lands, and, the Department of Business and Economic Affairs, which will oversee the current Economic Development and Travel and Tourism Divisions,
- Creates the first youth drug treatment center in New Hampshire; doubles the Alcohol Fund, adding \$7 million for treatment and recovery services over the next two years; and establishes a \$4.5 million drug interdiction program to bring together federal, state and local resources to disrupt the supply chain that brings drugs into the state,
- Increases funding by \$57 million for the developmentally disabled community to reduce the wait list for services,
- Increases funding for roads, bridges and school buildings,
- Increases state aid to cities and towns,
- Increases funding for charter schools by \$15 million.

The budget provides no funding for full-day kindergarten, which has been a priority of Gov. Chris Sununu. However, a Republican-backed bill, SB 191, passed and was signed by the governor to fund full-day kindergarten with proceeds from Keno. Cities and towns must decide on whether to allow Keno.

Legislation Passed and Signed Into Law

HB 640

AN ACT RELATIVE TO THE PENALTIES FOR POSSESSION OF MARIJUANA Reduces the penalties for possession of one ounce or less of marijuana-infused products by a person age 21 or older from a misdemeanor to a violation. Violators will receive a

\$100 fine for the first and second offenses instead of a year in prison and a \$2,000 fine for a third offense.

SB 12

AN ACT REPEALING THE LICENSING REQUIREMENT FOR CARRYING A CONCEALED PISTOL OR REVOLVER

Increases the length of time that a license is valid to carry a pistol or revolver. Allows a person to carry a loaded, concealed pistol or revolver without a license unless such person is otherwise prohibited by New Hampshire statute; requires the director of the division of state police to negotiate and enter into agreements with other jurisdictions to recognize in those jurisdictions the validity of the license to carry issued in this state; and repeals the requirement to obtain a license to carry a concealed pistol or revolver.

SB 3

AN ACT RELATIVE TO DOMICILE FOR PURPOSES OF VOTING

In order to vote, someone would have to prove that the address they are providing as a domicile is "the principal or primary home ... in which habitation is fixed and to which a person, whenever he or she is temporarily absent, has the intention of returning after a departure or absence."

Legislation That Failed

SB 11

AN ACT PROHIBITING COLLECTIVE BARGAINING AGREEMENTS THAT REQUIRE EMPLOYEES TO JOIN OR CONTRIBUTE TO A UNION

Prohibits collective-bargaining agreements that require employees to join or contribute to a labor union. No person shall be required, as a condition of employment, to resign or refrain from membership in a labor organization, or become or remain a member of a labor organization or pay dues, fees, assessments or other charges to a labor organization.

HB 207

AN ACT PROHIBITING THE IMPLEMENTATION OF COMMON CORE IN PUBLIC ELEMENTARY AND SECONDARY SCHOOLS

Prohibits the department of education and the state board of education from requiring any school or school district to implement the common core standards

K-12 Education Funding

The FY18 budget provides additional per-pupil aid to charter public schools of \$625 per pupil; provides \$45 million in special education aid; \$14.8 million in career and technical education tuition and transportation aid; establishes the dual- and concurrent-enrollment program, which will provide up to \$250 per STEM-related course at a public schools for robotics teams.

The budget includes \$10 million in new student scholarship programs over the next two years, and provides grants to schools that encourage student engagement in the STEM science, technology, engineering and math) fields. The budget upgrades and rehabilitates the Plymouth and Rochester Career Technical Schools to provide workforce-ready students by age 18.

Higher Education Funding, Tuition

The University System of New Hampshire was flat-funded at \$81 million for each of the two years of the biennium. The budget signed into law also provides for \$3 million in capital improvements at Plymouth State University and \$10 million for the Governor's Scholarship Program.

USNH Chancellor Todd Leach in his budget request to the governor sought \$88.5 million for fiscal years 2018 and 2019, which represents a 12.5% increase over the two-year cycle. In return, Leach offered to freeze in-state tuition for two years and offer free tuition for all valedictorians and salutatorian graduates from New Hampshire high schools who apply to a USNH institution.

The Community College System of New Hampshire faired better in the budget with an increase in funding for the system of \$6 million or an overall increase of 7% in the two-year budget. An additional \$10 million was included for the system's capital budget.

Rhode Island

The Rhode Island General Assembly abruptly ended its 2017 legislation session on Friday evening, July 1, following a protracted disagreement between House Speaker Nicholas Mattiello and Senate President Dominick Ruggerio related to the car tax.

Eliminating the car tax was a high priority of Mattiello's. But some lawmakers expressed concern that with revenues lagging by approximately \$100 million, eliminating the car tax and funding a free college tuition plan could prove to be a big fiscal challenge. With that in mind, the Senate added an "escape clause" to the FY18 budget, which would kick in should the state find itself in a position without sufficient revenue as a result of eliminating the tax. Mattiello claimed he had not been told of the addition of the clause.

Without a budget agreement in place, the speaker pulled the plug on the session, while the state limped along under a law that provides for the "availability of funds on failure of general assembly to pass an appropriation bill."

The month-long stalemate ended on Aug. 4, when the House and Senate approved a \$9.2 billion budget for FY18, which was subsequently signed by Gov. Gina Raimondo. Both branches agreed to take up a stand-alone bill will to address the car tax. The legislation mandates the Director of Revenue to produce annual reports to track revenues starting January of 2021.

At the top of Raimondo's budget priorities was free college tuition for Rhode Island's students at the state's public colleges and the University of Rhode Island (URI). It was an ambitious plan considered by many in the Rhode Island General Assembly as too expensive, especially given the growing concern about declining state revenues. The final budget limits the free tuition to Rhode Island students enrolled at the Community College of Rhode Island (CCRI). The governor hopes to expand the plan in future budget cycles.

The budget also:

- Restores free bus passes for low-income and disabled residents,
- Provides a 90-cent increase over two years in the minimum wage, which would rise to \$10.10 in January 2018 and \$10.50 in January 2019,
- Increases funding for hospitals and nursing homes, which went against Raimondo's request to cut the state Medicaid reimbursement rate to save \$16.2 million,
- Increases wages for home care and direct care workers.

The governor's economic development package ended up as a glass half-full, with the General Assembly approving \$19.1 million out of a proposed \$36 million in economic development incentives. Lawmakers approved \$8.1 million out of \$10.1 million to advance development of I-195 land, \$7.5 million out of \$20 million for Rebuild Rhode Island tax credits and \$500,000 out of \$1.25 million for Main Street programs.

Lawmakers will return to work this month to take up a number of high-profile bills, including the following:

SB 0290

AN ACT RELATING TO LABOR AND LABOR RELATIONS-HEALTHY AND SAFE FAMILIES AND WORKPLACES ACT

Requires all employers to provide their employees with a minimum level of 2 days paid sick and safe leave including time to care for the employee's family members.

HB 5510

AN ACT RELATING TO COURTS AND CIVIL PROCEDURE—DOMESTIC ASSAULTS—PROTECT RHODE ISLAND FAMILIES ACT

Limits access to firearms when an individual is under certain types of domestic restraining orders or protective orders issued or renewed on or after July 1, 2017.

Legislation Passed and Signed Into Law

SB 0073

AN ACT RELATING CRIMINAL OFFENSES-UNIFORM ACT ON THE PREVENTION OF AND REMEDIES FOR HUMAN TRAFFICKING

Would establish penalties and remedies for human trafficking and make human trafficking for purposes of sexual servitude, forced labor and commercial sexual activity felonies punishable by imprisonment and fines. This act would also establish a council on human trafficking for the prevention of such offenses and would establish programs to assist victims and make them eligible for compensation under the criminal injuries compensation act.

SB 554

An Act Relating to Education-Private Schools

Requires accreditation by a regional accrediting agency recognized by the U.S. Dept. of Education for distance-learning institutions to transact business or grant degrees in Rhode Island.

SB 883

AN ACT RELATING TO EDUCATION—RHODE ISLAND'S COLLEGE CRUSADE FOR HIGHER EDUCATION

Establishes the Rhode Island College Crusade, a nonprofit organization registered with the secretary of state, as the entity that will administer and operate all program services and manage scholarship resources.

HB 5277

AN ACT RELATING TO HEALTH AND SAFETY-DEPARTMENT OF HEALTH

Prohibits "conversion therapy" by licensed healthcare professionals with respect to children under age 18. Violations of this act would subject the healthcare professional to disciplinary action and/or suspension and revocation of the license by the director of the department of health.

HB 6088

AN ACT RELATING TO EDUCATION-CHILDREN WITH DISABILITIES

Provides that benefits for students with disabilities will continue until the end of the public school calendar or semester, when the student turns 21 or when the student's program ends in accordance with the student's IEP, whichever occurs earlier.

Legislation That Failed

HB 5237

AN ACT RELATING TO EDUCATION-TUITION EQUITY

Creates the "Student Equal Economic Opportunity Act," which would identify those undocumented students who are exempt from paying non-resident tuition at public universities, colleges or community colleges. This act would take effect upon passage.

SB 0422

AN ACT RELATING TO EDUCATION-TUITION FOR ACTIVE DUTY MILITARY

Grants in-state tuition status at state-operated schools to active-duty and reserve members stationed in Rhode Island.

K-12 Funding

The budget for FY18 increases local education aid by \$46 million and an additional \$2.5 million dedicated to schools with high numbers of English language learners. Also the budget provides \$1.1 million in additional funding for early childhood programs.

<u>Higher Education, Tuition, Fees</u> Rhode Island Promise Tuition Plan

Raimondo's original plan was for two years of free college tuition adopted at all Rhode Island public colleges and the University of Rhode Island. The plan that was ultimately adopted by the General Assembly provides two years of free tuition at CCRI for students who graduate on time and keep a 2.5 grade point average. The plan also includes a provision that requires CCRI students to commit to living, working and/or studying for two years in Rhode Island after graduation.

In November 2016, the Rhode Island State Board of Education approved an approximately 7% increase in tuition and fees for in-state, full-time students at the state's public colleges and URI, effective, July 1, 2017. Accordingly:

- CCRI, rose from \$4,266 to \$4,564, an increase of \$298.
- Rhode Island College went from \$8,206 to \$8,776, up \$570.
- URI went from \$12,884 to \$13,792, up \$908.
- The Board also approved an increase in student aid, e.g. \$5.1 million additional aid for URI.

Vermont

From January to April, there appeared to be an unusual degree of cooperation among legislators and newly elected Gov. Phil Scott. The House and Senate passed a budget with minor differences. Up until this point, some legislators were characterizing the session as "boring." All that changed on April 20, when Gov. Scott proposed that the Legislature adopt the Vermont School Boards Association's plan for a statewide teachers' health insurance proposal that would save Vermont taxpayers \$26 million. Scott campaigned in earnest for his proposal and told legislators he would veto their budget, which included their version of a teachers' health insurance savings proposal. No headway was made despite several meetings between the governor and legislative leaders. In the early morning hours of May 19, a budget was passed and the Legislature adjourned.

As he had promised, Scott vetoed the state budget and a bill for setting property tax rates. Lawmakers returned to the capitol on June 21 for a special session where the budget stalemate was finally broken. A compromise was achieved which required school districts to find \$13 million in savings and create a commission to study a statewide teachers' healthcare plan. The \$13 million will come from school budgets that voters have already passed. Rep. David Sharpe, chairman of the House Education Committee, noted that insurance premiums are expected to drop by \$75 million next year, giving school districts some leverage to negotiate plans for their employees while saving money.

On June 28, Scott signed the FY18 budget, which does not raise taxes or fees, including property taxes. The budget includes a \$35 million bond for housing, which state officials expect to generate \$100 million investment in affordable housing.

On July 21, Scott and legislators learned that revenue for the FY18 base operating budget would be short by \$28 million. A rescission plan to cut \$12.6 million from the budget was proposed by Scott and approved by the Legislature's Joint Fiscal Committee.

Legislation Passed and Signed Into Law

SB. 79

AN ACT RELATING TO FREEDOM FROM COMPULSORY COLLECTION OF PERSONAL INFORMATION

Prohibits Vermont officials from sharing information with the federal government that would be used to establish a registry based on religion, immigration status or any other personal characteristics.

SB.98

AN ACT RELATING TO THE PUBLIC RETIREMENT STUDY COMMITTEE

Creates the Green Mountain Secure Retirement Plan—voluntary retirement option for employers with 50 or fewer employees, none of whom have a retirement plan.

SB. 135

AN ACT RELATING TO PROMOTING ECONOMIC DEVELOPMENT

Improves the Employment Incentive Growth Program. Lifts the cap on Tax Increment Financing (TIF) Districts and adds additional TIF districts.

HB. 308

AN ACT RELATING TO THE RACIAL DISPARITIES IN THE CRIMINAL AND JUVENILE JUSTICE SYSTEM ADVISORY PANEL

Voids any aspect of the Vermont fair and impartial policing policy that would conflict with federal law, requires all police agencies to adopt every part of the revised policy. The legislation also sets up a panel to make recommendations about how to reduce racial disparities in Vermont's criminal and juvenile justice system.

HB 230

AN ACT RELATING TO CONSENT BY MINORS FOR MENTAL HEALTH TREATMENT

Allows LGBTQ teens to seek counseling to discuss their sexual orientation without their parents' approval.

Legislation That Failed

SB. 22

AN ACT RELATING TO ELIMINATING PENALTIES FOR POSSESSION OF LIMITED AMOUNTS OF MARIJUANA BY ADULTS 21 YEARS OF AGE AND OLDER

A last-minute compromise passed by lawmakers legalized the recreational use of marijuana. The governor subsequently vetoed the measure. Other states have approved similar measures by ballot questions including Maine and Massachusetts.

K-12 Funding

Scott proposed freezing funding for K-12 budgets.

Higher Education Funding

According to Patricia Coates of Vermont State Colleges, the system's FY18 budget ends several years of budgets stressed by low state support, a decline in the number of Vermont high school graduates, increased competition from New England and northeastern regional colleges through tuition discounting, and increases in health insurance costs. This year, Vermont college presidents submitted budgets that reflected strategic management of resources, which resulted in a balanced VSC budget that realizes savings through a new, system-wide approach to business processes.

The fiscal year 2018 budget was buttressed by several significant initiatives:

- A \$3 million increase in the base appropriation from the state,
- \$880,000 in state support for the unification of Johnson State College and Lyndon State College into Northern Vermont University, which followed \$770,000 in FY17,
- \$1 million in savings consolidating the administrations of Johnson and Lyndon in FY18,
- \$2.6 million from a major debt refinancing and restructuring,
- Over \$1 million in savings from business process efficiencies, benefit changes and spending reductions.

PENDING FEDERAL LEGISLATION

Deferred Action for Childhood Arrivals (DACA)

S.B. 1615 The Dream Act of 2017

Introduced by Sen. Lindsey Graham (R-SC) (7/20/17)

Cosponsors: Sen. Richard Durbin (R-IL), Sen. Jeff Flake (R-AR), Sen. Charles Schumer (D-NY), Sen. Lisa Murkowski (R-AK), Sen. Catherine Cortez Masto (D-NV), Sen. Dianne Feinstein (D-NY), Sen. Kamala Harris (D-CA), Sen. Cory Gardner (R-CO), Sen. Michael Bennett (D-CO)

(Bipartisan Bill)

Summary:

A bill to authorize the cancellation of removal and adjustment of status of certain individuals who are long-term United States residents and who entered the United States as children, and for other purposes.

H.R. Recognizing America's Children Act (RAC)

Introduced by Rep. Carlos Curbelo (R-FL) (3/9/17)

(Partisan)

Summary:

- The bill would create a five-year "conditional permanent resident" status for young undocumented immigrants that would protect them from deportation, allow them to work legally in the United States and permit them to travel outside the country.
- To qualify for "conditional permanent resident" status, young undocumented immigrants would need to meet the following requirements:
 - Establish that they came to the U.S. before the age of 16 and have continuously lived in the U.S. since at least January 1, 2012;
 - Pass a government background check and demonstrate "good moral character" with no felony or multiple misdemeanor convictions;
 - Earn a high school diploma or an equivalent (if they are 18 years or older);
 and
 - Meet one of the following requirements (if they are 18 years or older):
 - 1. Demonstrate an intent to join the U.S. military (military path);
 - 2. Be admitted to an institution of higher education (higher education path);
 - 3. Have a valid work authorization document (worker path).
- "Conditional permanent resident" status can be extended once for a second period of five years by meeting one of the following requirements:
 - Have been enlisted in the military or an active-duty reserve component of the military for at least three years during the preceding five-year period (military path);
 - Have graduated from an institution of higher education (higher education path); or
 - Have been employed for a total period of at least 48 months during the preceding five-year period (worker path).

- As soon as the "conditional permanent resident" status is extended, recipients
 could apply to become a lawful permanent resident (green-card holder) if they
 continue to meet the requirements set in the bill. Recipients enlisted in the
 military could apply for naturalization immediately after obtaining lawful
 permanent resident status.
- Under the bill, a recipient's "conditional permanent resident status" would be revoked if he or she failed to continue to meet all of the bill's requirements.

H. R. 496 The Bridge Act

Introduced by Rep. Mike Coffman (R-CO) (motion to discharge the committee on 9/5/17)

(Bipartisan Bill)

Summary:

This bill amends the Immigration and Nationality Act to provide that the Department of Homeland Security (DHS): (1) shall grant a three-year provisional protected presence to a qualifying alien, (2) may not remove the alien from the United States unless such protected presence is rescinded, and (3) shall provide such alien with employment authorization.

An alien is eligible for such protected presence and employment authorization if the alien: (1) was born after June 15, 1981; (2) entered the United States before attaining 16 years of age; (3) continuously resided in the United States since June 15, 2007; (4) was physically but unlawfully present in the United States on June 15; (5) on the date the alien files an application the alien is present in the United States, is enrolled in school or in an education program assisting students in obtaining a high school diploma, has graduated or obtained a certificate of completion from high school or a general educational development certificate, or is an honorably discharged U.S. Coast Guard or Armed Forces veteran; (6) has not been convicted of a felony, a significant misdemeanor, or three or more misdemeanors not occurring on the same date and not arising out of the same act; and (7) does not otherwise pose a threat to national security or a threat to public safety.

The bill: (1) provides for confidentiality of application information, with certain national security and law enforcement exceptions; and (2) sets forth the criteria under which DHS may rescind protected presence.

An alien granted protected presence is not considered to be unlawfully present in the United States during such period.

An alien must be at least 15 years old, unless in removal proceedings, to apply for protected presence.

DHS may provide for an application fee and for fee exemptions.

DHS may not: (1) remove an alien who appears prima facie eligible for protected presence while the alien's application is pending, or (2) refer individuals whose cases have been deferred pursuant to the Deferred Action for Childhood Arrivals Program (DACA) or who have been granted protected presence to U.S. Immigration and Customs Enforcement.

A DACA alien is deemed to have protected presence through the expiration date of his or her deferred action status.

H.R. 3591 The American Hope Act

Introduced by Rep. Luis Gutierrez (D-IL) (7/28/17)

(Partisan, 150 Cosponsors)

Summary:

This bill amends the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to allow a state to extend higher-education benefits to state residents regardless of whether they are lawfully present in the United States.

In addition, the bill requires the Department of Homeland Security (DHS) to cancel the removal, and adjust the status, of certain residents who entered the United States as children prior to 2017. An individual whose status has been so adjusted shall be considered to have obtained conditional permanent-resident status, valid for a period of eight years and subject to termination on the basis of specified deportable conduct.

In order for an individual's conditional status to become permanent, the individual must timely file with DHS a petition indicating, among other specified information, that the individual has maintained conditional permanent-resident status for at least three years.

Any period of time in which the individual was granted deferred action pursuant to the Deferred Action for Childhood Arrivals policy shall count toward this three-year period.

Information furnished by an individual in such a petition may not be used by an officer or employee of the United States to initiate removal proceedings.

The bill also: (1) allows DHS to establish a competitive grant program for the provision of nonprofit assistance to eligible applicants for conditional permanent-resident status; (2) establishes the Presidential Award for Business Leadership in Promoting American Citizenship; (3) allows the Department of Education to develop an open-source, electronic English-learning program; (4) specifies requirements related to federal higher-education assistance for individuals with conditional permanent-resident status; and (5) requires the Government Accountability Office to report on specified data related to the bill.

New Higher Education Data System, Includes Part-Time and Transfer Students

S.B. 1121 College Transparency Act of 2017, 7/28/17 Introduced by Sen. Orin Hatch (R-Utah)

Sponsors include Sen. Elizabeth Warren (D-MA), Sen. Sheldon Whitehouse (D-RI), Sen. Bill Cassidy (R-Louisiana)

Summary:

Would establish a postsecondary student data system and provide more accurate and complete data on postsecondary student outcomes. This bill would repeal the ban on a federal "student-unit-record data system".

The new data system would be housed at the National Center for Education Statistics. Unlike current higher education data collection, both part-time and transfer students would be included in the data. Information shared (in the aggregate) would include information on enrollment and completion rates, debt repayment, and employment outcomes for postsecondary programs. The benefits outlined in the bill include:

- Accurately evaluate student enrollment patterns, progression, completion, and post-collegiate outcomes, and higher education costs and financial aid at the student level;
- Assist with transparency, institutional improvement, and analysis of Federal aid programs; provide more accurate, complete, and customizable information for students and families making decisions about postsecondary education; and reduce the reporting burden on institutions of higher education postsecondary institutions, in accordance with section 5(b) of the College Transparency Act.

Workforce, Apprenticeships

S.B. 1352 The American Apprenticeship Act

Introduced by Sen. Maria Cantwell (D-WA)

Cosponsors: Sen. Susan Collins (R-ME), Sen. Amy Klobuchar (D-ME), Sen. Kirsten Gillabrand (D-NY)

Summary:

Amends the Internal Revenue Code to allow employers a business-related tax credit for up to \$5,000 for the training of a qualified individual in a qualified apprenticeship program or a qualified multi-employer apprenticeship program. The bill defines a "qualified individual" as an individual who: (1) is an apprentice participating in a qualified apprenticeship program or a qualified multi-employer apprenticeship program, (2) has been employed in either program for a period of at least seven months that ends within the taxable year, and (3) is not a highly compensated employee or a seasonal worker.

The bill defines "qualified apprenticeship program" as a program that: (1) provides qualified individuals with on-the-job training and instruction for a qualified occupation (i.e., a skilled trade occupation in a high-demand mechanical, technical, health care, or technology field); (2) is registered with the Office of Apprenticeship of the Department of Labor; and (3) maintains records relating to the qualified individual. A "qualified multi-employer apprenticeship program" is a program in which multiple employers are required to contribute and that is maintained pursuant to one or more collective bargaining agreements.

The bill amends the Internal Revenue Code to allow a premature distribution, without penalty, from a tax-qualified retirement plan to an employee who is serving as a mentor. A "mentor" is defined as a working individual who: (1) has attained age 55; (2) works reduced hours and engages in mentoring activities for at least 20% of such hours; and (3) is responsible for the training and education of employees or students in an area of expertise for which such individual has a professional credential, certificate, or degree.

Funding for Dual, Concurrent Enrollment

S.B. 718 Making Education Affordable and Accessible Act

Re-introduced by Sen. Gary Peters (D-MI), Sen. Bill Cassidy (R-LA), Sen. John Boozman (R-AR), Sen. Al Franken (D-MN)

(Bipartisan)

HR 1710, companion bill

Summary:

Would use funds provided under the Higher Education Act to provide grants to postsecondary institutions to:

- Offer dual and concurrent enrollment programs for secondary students.
- Provide professional development to educators teaching these programs.
- Support other aspects of the programs, like course design, community outreach and counseling services.