

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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9 **Education Committee Meeting**

10 Monday, May 24, 2016

11 9:00 A.M.

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 The Harvester

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 Rocky Mount, Virginia

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1 **APPEARANCES:**

2 The Honorable Frank M. Ruff, Chairman

3 The Honorable Donald W. Merrick, Vice Chairman

4 Ms. Gayle F. Barts

5 Ms. Becky Coleman

6 The Honorable Franklin D. Harris

7 Mr. A. Dale Moore

8 Mr. Cecil E. Shell

9 The Honorable Thomas C. Wright, Jr.

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11 COMMISSION STAFF:

12 Mr. Evan Feinman – Executive Director

13 Mr. Christopher E. Piper – Deputy Executive Director

14 Mr. Timothy S. Pfohl – Grants Program Administration

15 Director

16 Ms. Stephanie S. Kim – Director of Finance

17 Ms. Sarah K. Capps – Grants Program Administrator,

18 Southside Virginia

19 Ms. Jessie Stamper – Assistant Grants Program Administrator,

20 Southwest Virginia

21 Mr. Jordan L. Butler – Public Relations Coordinator

22 Ms. Stacey Richardson – Executive Assistant

23 COUNSEL FOR THE COMMISSION:

24 Ms. Elizabeth Myers, Assistant Attorney General

25 Richmond, Virginia.

1 SENATOR RUFF: I'm going to call the
2 Education Committee meeting to order. Good morning,
3 everyone and welcome. Evan, would you call the roll?

4 MR. FEINMAN: Ms. Barts?

5 MS. BARTS: Here.

6 MR. FEINMAN: Ms. Coleman?

7 MS. COLEMAN: Here.

8 MR. FEINMAN: Mr. Harris?

9 MR. HARRIS: Here.

10 MR. FEINMAN: Mr. Merrick?

11 DELEGATE MERRICK: Here.

12 MR. FEINMAN: Mr. Moore?

13 MR. MOORE: Here.

14 MR. FEINMAN: Senator Ruff?

15 SENATOR RUFF: Here.

16 MR. FEINMAN: Mr. Shell?

17 MR. SHELL: Here.

18 MR. FEINMAN: Senator Stanley? (No
19 response.) Delegate Wright?

20 DELEGATE WRIGHT: Here.

21 MR. FEINMAN: You have a quorum, Mr.
22 Chairman.

23 SENATOR RUFF: I have the minutes
24 from our May 5th, 2016 minutes published on the website. Do
25 I have a motion?

1 DELEGATE WRIGHT: So moved.

2 MR. HARRIS: Second.

3 SENATOR RUFF: We have a motion and
4 a second to approve the minutes, all those in favor say aye.
5 (Ayes.) Opposed? (No response.) Minutes are approved.
6 Thank you. We're going to first take up the loan and
7 scholarship discussion. At the May 5th meeting, we agreed to
8 several proposals and two of them came back with additional
9 changes they would like to make. I would ask that we rescind
10 our vote on the Southside Virginia Higher Ed Center and on
11 the Southwest Virginia Higher Education Center Foundation
12 for their clinical lab site. Can I have a motion to bring those
13 back to the table, please?

14 MR. MERRICK: So moved.

15 MR. HARRIS: Second.

16 SENATOR RUFF: I have a motion and a
17 second and those are back on the table then. Thank you.
18 Betty, do you want to speak to the Southern Virginia Higher
19 Ed?

20 DR. ADAMS: Yes, good morning. Thank
21 you, Mr. Chairman, Members of the Education Committee.
22 My name is Betty Adams. I'm the Executive Director of the
23 Southern Virginia Higher Education Center in South Boston.
24 We have a proposal to address concerning the nursing
25 shortage in Southside Virginia. That's focused on the attempt

1 to recruit students to existing nursing programs.

2 Ten years ago there was a nursing
3 shortage and we didn't have the educational capacity. We do
4 have that capacity now but we don't have students for these
5 programs. So this grant is ongoing outreach and we're already
6 doing that with our AHEC coordinator and ongoing marketing
7 strategies to be used by the regional hospital and that
8 includes the use of billboards and that's where we kind of ran
9 into a snag with the staff and the Committee. The staff
10 questioned the efficacy and the cost of the billboards, which I
11 can understand. And therefore our grant was reduced
12 significantly.

13 I would like to come before you today and
14 offer another, an alternate strategy. I talked to Evan and Tim
15 about this and they are supportive. I would ask that the
16 Committee increasing the appropriation by \$25,000 so that we
17 can bring in an expert to tell us what would be an appropriate
18 marketing strategy to recruit students in the Southside
19 footprint and into our existing programs. I don't think there's
20 any lack of appreciation for the problem. Everybody I think is
21 on board and understands there is a nursing shortage.

22 We had a group from Sentara Hospital in
23 our offices last week. They have 54 openings and there's only
24 23 students in the current pipeline. So it's critical and we
25 need to do something, so I would ask that the Committee

1 consider an additional \$25,000 that will allow us to bring an
2 expert to developing a marketing campaign.

3 SENATOR RUFF: Are you envisioning in
4 this marketing person to cover the entire region or cover
5 several hospitals?

6 DR. ADAMS: I believe and Patty can
7 correct me if I'm wrong, that's eleven counties in Southside.
8 The AHEC footprint is 15 counties and not all of those are in
9 the Tobacco Region.

10 SENATOR RUFF: Any questions of Dr.
11 Adams? Tim, would you speak to?

12 MR. PFOHL: Yes, the staff used a pretty
13 sharp scalpel so to speak on the Higher Ed proposal and you'll
14 hear from the Southwest as well. There was a \$30,000
15 contractual budget line in the proposal and we carved that out
16 so basically Dr. Adams is asking you to restore those funds for
17 that. We feel that would be a good use of funds to come up
18 with a state of the art marketing strategy to solve this
19 problem.

20 SENATOR RUFF: Any questions?

21 MR. MERRICK: The plan that the
22 marketing person will come up with that could be used for
23 Southwest, too?

24 DR. ADAMS: Absolutely.

25 MR. MERRICK: It can be used

1 everywhere.

2 DR. ADAMS: Absolutely.

3 MR. FEINMAN: I think this is a neat
4 solution and the concerns we had about whether or not it's an
5 effective marketing strategy but this can answer questions we
6 have in the future and that will have value across the region.

7 SENATOR RUFF: Any further questions?

8 MS. BARTS: I so move.

9 SENATOR RUFF: Is there a second? The
10 motion is to add \$25,000 for marketing curriculum or a
11 marketing director or contract, I guess, added to number
12 3164. Any further discussion? If none, all in favor say aye.
13 (Ayes.) All opposed? (No response.) All right.

14 The next one is #3154, Southwest
15 Virginia Higher Education Center Foundation.

16 MR. CARMACK: I'm Duffy Carmack,
17 Chief Financial Officer of the Southwest Virginia Higher Ed
18 Center and I'm going to ask Dr. Williams to join me at the
19 podium. Thank you for the opportunity to speak for just a
20 moment.

21 Four years ago, the regional hospital in
22 Southwest Virginia came to our institution and ask that we
23 create a clinical life science program and this is a Bachelor's
24 Degree program for folks that are trained and licensed to work
25 in laboratories in hospitals and pathology offices. There's a

1 need for that throughout the state.

2 Virginia Commonwealth University has
3 been successful in our region with a long term certified nurse
4 anesthetist program. We went to them and asked if they
5 would consider offering this program and they did. You were
6 gracious to fund \$175,000 three years ago to get the program
7 off the ground. We had a slow start up and the funding cycle
8 was not exactly in line with the school cycle. By the time we
9 were able to get an agreement worked out with VCU, Dr.
10 Williams has been hired to teach the classes and we began
11 marketing this.

12 We ran into the problem in rural Virginia
13 because the prerequisites for chemistry and biology were not
14 readily available so it took Josh a year or a year and a half to
15 find community college students or existing RNs to meet the
16 prerequisites to come in to this Bachelor's program. Now the
17 program is up and going but we're needing some additional
18 funding. I think the question was you provided funds for
19 three years and we typically do not do funding. We'd like to
20 request an additional \$18,000 to continue this program and
21 I'll ask Dr. Williams to speak to this in just a moment. This is
22 a program that's very beneficial to our region.

23 DR. WILLIAMS: Thank you. The timing
24 that it's not typically done in three years. Time has been our
25 hardest factor to work with and we did get a late start with one

1 with Bachelor's degrees and they'll be the next managers of
2 laboratories and leaders in the laboratory field.

3 Our clinical managers tell us we don't
4 have the people to be leaders in the lab once our staff retires.
5 It's a nationwide problem that our laboratories with the
6 average age in the upper fifties so there is expected to be a
7 large turnover of employees in the next decade and we need to
8 ensure continuity in the lab. A significant portion of
9 healthcare decisions are made by physicians directly impacted
10 by laboratory results.

11 We want our rural healthcare facilities to
12 have quality healthcare in place so that our local communities
13 have an overall good healthcare system. With this local
14 support, they're trying to do what the Commission wants and
15 we have the educational component and direct job training.
16 When our students graduate, they are ready to start work. We
17 hope that by working with our local hospitals, we can train
18 and retain locally in Southwest Virginia. Thank you for your
19 time.

20 SENATOR RUFF: Any questions of Dr.
21 Williams? Would you respond to that request, Tim?

22 MR. PFOHL: Sara Williams and I got to
23 visit Dr. Williams and he had four juniors there I believe
24 earlier this spring. The nurse anesthesia program that the
25 Education Committee funded about a dozen years ago is

1 currently sustainable and similar enrollment numbers to what
2 they're tracking toward next year. So that helped us have
3 some confidence that they're on a path to being sustainable
4 long-term. We've been using a sharp scalpel with some of
5 these programs concerning operating funds but we feel this
6 modest request is certainly warranted and reasonable.

7 SENATOR RUFF: Is there any more
8 discussion? Do I have a motion?

9 MS. BARTS: I so move.

10 SENATOR RUFF: It's been moved and
11 seconded we raise the amount on #3154 by \$18,000. Any
12 further discussion? If not, all those in favor say aye. (Ayes.)
13 Opposed? (No response.) The motion passes, it's two to
14 nothing.

15 Now, at the last meeting we had two
16 individuals that came before us to talk about the forgivable
17 loan program we have in southern Virginia. The requirements
18 currently are that, the rules for the forgivable loan at the time
19 were if somebody lives in the footprint and they had to receive
20 a job in the footprint for that loan to be forgiven, one year for
21 one year. The young lady still lives in the district but her skill
22 set took her to a job in the City of Lynchburg. So the issue is,
23 is it fair and reasonable to change the requirement that if the
24 person either lives or works in the region that that loan will be
25 forgiven. I welcome any thoughts or comments that anyone

1 has. Maybe we need to take a break and get a cup of coffee.

2 MS. BARTS: This case goes back many
3 years and the policy and situation.

4 SENATOR RUFF: I think we would have
5 to if somebody came before us and expressed to the staff that
6 they were in the same situation, we'd have to have the same
7 policy.

8 MR. FEINMAN: I think we could do that
9 but I think we might not do that. There's changes and there
10 are many, many people who took loans from this Committee
11 when the Committee was doing loans and the Committee
12 switched to grants and we're still collecting loans. But it is the
13 right of the body to make policy changes moving forward. I
14 think we can say we looked at it and we used to have one set
15 of requirements and those are you sign on when you took the
16 loan and now we're saying the current loan needs to be repaid
17 and we might have made a change.

18 The scope of the remaining, it's hard to
19 know and it's hard to verify and if somebody has reasons and
20 the way we need to look and they prove to us they live in the
21 region. I don't know whether you go back years and years and
22 maybe there's not a big group of people that could ask or
23 demonstrate they're living in the region but we'll have to shed
24 some light on the scope that we're talking about.

25 MS. KIM: There are people that have had

1 loans and have repaid them over the years and either lived in
2 the region or worked outside the region. I think they have to
3 work in the region though but it doesn't have anything about
4 residing. But the question is you go back to someone who has
5 already repaid the loan or in the process of repaying the loan
6 or do you refund money or say from here going forward, you
7 don't have to pay any more. There's a lot of questions if you
8 decide to change the policy now or how do you refund
9 payments?

10 MS. BARTS: I know of a couple of folks
11 that relied on one policy. If you change it, you're going to
12 affect more than one person.

13 UNIDENTIFIED: But what kind of
14 precedent do you set not only with what you've done in the
15 past but in the future?

16 DELEGATE WRIGHT: I'm sympathetic
17 with the situation and maybe the Committee would be better
18 served to sign on a policy change rather than on an individual
19 basis. If you do something on an individual basis, I think
20 we're going to open ourselves up to more scenarios than you
21 may expect. If we're not willing to make a policy change, then
22 I think that's where we'll have to stay. But I think as far as
23 this issue is concerned, we might be opening up more of this
24 than we anticipated.

25 MR. FEINMAN: One additional piece of

1 information. The Committee members may not have been
2 involved in setting up these programs. In the last twenty
3 years, there's been fairly consistent every couple of years at
4 the federal student loan level changes are made and they
5 make changes and people move forward. They don't change
6 the interest rate or payment plans or any of that I think that's
7 something people are used to now and moving forward.

8 MR. MOORE: Mr. Chairman, I think
9 there's other circumstances. The young lady lives in the
10 region and the job that she does is an agricultural job and
11 services the region and provides a job for our region but one
12 mile out of our region. I would be inclined to forgive that debt
13 myself because of the job and the service to our region.

14 MR. MERRICK: My question is if she
15 lives in the region and she's working out of the region or
16 barely out of the region but the job she does services the
17 region that we live in. I can appreciate Delegate Wright's
18 comments about the individuals but even if we did change the
19 policy today, it wouldn't affect her just after the fact. To me it
20 would make more sense commonsense-wise with this
21 situation and we can maybe make an exception. Not
22 everybody is going to fit that mold. Where she works is just
23 outside and they do work for the region and to me it makes no
24 sense to do that.

25 MS. MYERS: I'm hearing some

1 discussion and in your recent meeting, it might be a matter of
2 interpreting the contract that she signed as to whether or not
3 she does, in fact, work in the region even though her physical
4 office location is not in the region. There's members of the
5 staff that work in Richmond who are working today and
6 they're not in Richmond but their office location is Richmond
7 and that's one way to think of it. She did sign a contract and
8 the Committee needs to remember that.

9 DELEGATE WRIGHT: I would suggest a
10 policy change, I would just say that I thought if you want to
11 make any kind of change in this particular item there needs to
12 be a policy change. I'll just say I'm not supporting a policy
13 change.

14 SENATOR RUFF: Anybody else want to
15 weigh in? All right, Don, with what you said, a motion to I
16 think understand better the term work as Liz may have
17 mentioned.

18 MR. MERRICK: That's an interesting
19 point she brings up. This young lady coming into our region
20 returning to her job even though her location is outside the
21 region barely. That adds a different light and I'm not sure I
22 know the answer to that question. Then she says contract,
23 I'm afraid to say anything. I don't know really. That's an
24 interesting point that she's actually doing her job in our area
25 even though it's located a rock's throw outside of the area.

1 MR. FEINMAN: I hadn't considered that
2 interpretation of the contract of having heard it, that makes
3 sense to me and I'm comfortable in saying at the staff level, we
4 can certainly say working in the region would include
5 occupations that take you into the region or whose work
6 significantly benefits the region. That means more of a
7 judgement call on the part of the staff so that means more
8 work on our end. That might be a reasonable construction of
9 the contract, which we're comfortable with that at the staff
10 level or comfortable making the call if that's the direction the
11 Committee wants to go.

12 MR. MERRICK: Do we need a motion?

13 SENATOR RUFF: I don't think we need a
14 motion and I saw Liz nodding her head. If she would vocalize
15 the agreement with Evan's statement so that can be recorded,
16 we would appreciate that.

17 MS. MYERS: Yes, Mr. Chairman, I do
18 believe it would be an appropriate interpretation of the
19 contract that working in the region is not necessarily your
20 physical mailing business address that can be within the
21 region. That if the work takes you in the region, that would be
22 sufficient as a contractual term.

23 SENATOR RUFF: Do we need to take any
24 action or can staff interpret about any further action?

25 MS. MYERS: I don't see any need for any

1 action. I think it's the staff looking into the particular contract
2 on a case by case basis and individuals working within the
3 region.

4 SENATOR RUFF: Is that agreeable with
5 folks?

6 DELEGATE WRIGHT: Let me just say
7 that I'm really sympathetic with the case and I'm not going to
8 raise any major objection. I just don't believe this is exactly,
9 people in the past who may have been in the similar situation,
10 I think it's changing the rules after the fact. I just wanted to
11 make that statement. I'm not going to ask for a motion but I
12 think the side of the issue ought to be considered.

13 SENATOR RUFF: Anyone else? There's
14 no motion so that issue is off the table.

15 Let's move forward to the other issue.
16 This young lady after she completed a significant portion or
17 significantly into her college education incurred some health
18 issues that have been identified –

19 DELEGATE MARSHALL: She accepted
20 supplemental Social Security and has numerous health
21 problems.

22 SENATOR RUFF: That's been recognized
23 by Social Security and now qualifies for federal aid.

24 DELEGATE MARSHALL: That's correct.
25 We've occasionally had this issue come up and most

1 everybody there certainly had sympathy for her situation. Is
2 there anyone who wishes to speak to that today?

3 MS. BARTS: The point is, it's not only
4 her debt but the family or the father's debt. He's disabled,
5 too, and that financially hit them pretty hard.

6 MR. FEINMAN: We at the staff level at
7 the Committee's request have frozen any action on that
8 woman's account and that was an individual choice about her.
9 There have been other folks that claimed to be disabled. I
10 would ask the Committee give us blanket direction on where
11 you all want to go here, whether we move forward or don't
12 move forward or do a freeze across the board without
13 necessarily sending it to collections and whatever needs to be
14 done. Right now, we've taken individual action on individual
15 cases and I'd be a lot more comfortable at the staff level to
16 have direction across the board for folks who have been
17 disabled.

18 MS. KIM: Currently on the loan
19 agreement there is no cause for disability. There is not a way
20 in the contract for forgiving if they are disabled. I get a couple
21 of calls every month, either the endorser or the student in
22 some form or fashion might have some disability, whether it's
23 temporary or a car accident and which may be permanent
24 injury. I think in one case collections on somebody who died.
25 We do get calls regularly. In the past, I have said there is no

1 cause for forgiveness if they have a disability. The reality is we
2 go through the collection process and send it out to the
3 Attorney General's office as we're required to do. The reality is
4 probably nothing will be collected from them if there is
5 nothing to collect from. That's where we are. So if we change
6 this in the contract, there probably is a number of people that
7 will be affected.

8 DELEGATE WRIGHT: Similar to what
9 her answer was, people on disability and especially Social
10 Security disability are not subject or don't have the assets or
11 most of them don't. I don't know how we could fix it at this
12 point. Is there any way that we could say that people that are
13 disabled on Social Security would have the loan forgiveness? I
14 think it's something we should consider. I don't know how to
15 do it but I'd like to hear a way that we could accomplish that.

16 DELEGATE MARSHALL: Mr. Chairman, I
17 guess the question to ask of maybe Evan is that on the federal
18 level, I understand if you're disabled for two years then the
19 loans are forgiven, maybe that's already been approached on
20 at the federal level and maybe that's something we should
21 look at. I don't know that we need to take action today but on
22 this particular case we're referring to. This has been frozen,
23 so we could wait until the fall if we wanted to and point the
24 football down the road some and we could also look at what's
25 happened on the federal level.

1 SENATOR RUFF: Maybe we should look
2 at that.

3 MR. FEINMAN: I have not Mr. Chairman
4 and Delegate Marshall but I do think another option and
5 Delegate Wright brought this up, we're not able to actually
6 collect from folks who are permanently disabled anyway. One
7 thing we could do and not a provision within the loan
8 documentation to forgive the loan. What we could do is a
9 matter of policy is just freeze all of them. Then they're not
10 getting collection letters and they don't need to worry about it
11 and still on our books if there's some recovery and then we
12 could get back into recollecting from them. If there's not, no
13 harm no foul. We're not required to send these to the Attorney
14 General's office for collection.

15 MR. MERRICK: You say you get a couple
16 of calls a month?

17 MS. KIM: Yes.

18 MR. MERRICK: I'm not questioning but
19 in time you're going to end up with a whole pile of stuff you'll
20 never be able to do anything about. To me, you might want to
21 come up with a recommendation to say okay, I'm going to
22 freeze it and then at the end of a five year period review it and
23 then at that time get that off and who wants to keep it on
24 there forever. If they're still disabled and nothing has
25 changed, go ahead and bite the bullet and move on.

1 MS. KIM: I think we are required by
2 statute to send them to the AG's office and maybe for them to
3 freeze.

4 MS. MYERS: I don't work with the
5 division of debt collection in the AG's office but I'm positive
6 there are a lot of uncollectible debts that are in their system. I
7 don't know if they did anything on them. I'm researching right
8 now whether or not you're statutorily required to send them to
9 the division of debt collection. I'm not familiar with the
10 division, I don't work in it, but I'm looking at it right now.

11 SENATOR RUFF: Is everybody agreeable
12 to hold this until the next Education meeting and give Liz time
13 to do the necessary research in investigation of what we can
14 do with the Attorney General's office and then for Evan to
15 follow-up with a policy recommendation and we can decide
16 something. Everybody agree with that? All right, then that's
17 off the table. Next, that concludes our meeting but is there
18 any public comment? Does anyone want to say anything?

19 MS. MARTIN: Good morning. My name
20 is Lydeana Martin working with community college
21 development for Floyd County.

22 SENATOR RUFF: Please hold the
23 microphone close.

24 MS. MARTIN: I'm from Floyd County and
25 the last few months talking about community college financial

1 aid that this Committee from the Tobacco Commission
2 provide. Floyd is in a little bit of unique circumstance
3 because we're not served by one of the main community
4 colleges, the seven or eight that are located in the Tobacco
5 footprint. We're the only Tobacco county in that footprint. I
6 wanted to mention that I learned about this and hope that
7 Floyd County can get access to these benefits and I enjoy
8 working with staff and look forward to it. Thank you.

9 SENATOR RUFF: Thank you for bringing
10 that to us. Anyone else wishes to speak or make any
11 comments? If not, we're adjourned.

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PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Tobacco Region Revitalization Commission Education Committee meeting when held on Monday, May 24, 2016 at 9:00 a.m. at The Harvester in Rocky Mount, Virginia.**

I further certify this is a true and accurate transcript, to the best of my ability to hear and understand the proceedings.

Given under my hand this 18th day of May, 2016.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2018.
Notary Registration Number: 224566