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Federal Legislative Advocacy Action Alert!

HR 3221, STUDENT AID AND FISCAL RESPONSIBILITY ACT, HEADS TO HOUSE FLOOR THIS WEEK. IT INCLUDES HIGHER EDUCATION PLUS OTHER OBAMA ADMINISTRATION PRIORITIES

- On Wednesday and Thursday, September 16 and 17, 2009, two bills will be on the House floor for votes. One bill will be HR 3221, the Student Aid and Fiscal Responsibility Act, which reforms higher education and includes other Obama Administration priorities, including early childhood education, and school facilities modernization.
- The bill is intended to help the nation meet the President's goal for education: "By 2020 America once again will have the highest proportion of college graduates in the world."
- Though the percentage of U.S. adults who hold college degrees has stayed at about 40% for the last 20 years, other nations have surpassed us. Presently the U.S. ranks 10th in the world. As Secretary of Education Arne Duncan puts it, "We have to educate our way to a better economy..."

Selected Higher Education Provisions

- HR 3221 includes a variety of provisions to improve students' access to higher education and college affordability. The bill recognizes that 40% of U.S. college students receive federal Pell Grants, scholarships to help make the costs of going to college, more manageable.
- The **maximum Pell Grant award will rise to \$5550 in academic year 2010-2011**, an increase of \$880 above what the scholarship was two years ago. For the first time, Pell Grant increases are indexed to inflation plus 1% so that their purchasing power does not trail behind college tuition costs. By 2019 the maximum Pell Grant scholarship will be at \$6900 per eligible student.
- The bill **adds \$6 billion in Perkins Student Loans** for 2.7 million low-income students. To qualify colleges must keep their tuition affordable.
- Costs of the initiatives are paid for by savings generated through switching from the FFEL guaranteed federal student loan program, which provides subsidies to financial institutions to an all Direct Loan Program for new loans. These loans are initiated by the U.S. Department of Education and of low cost to students. **All new federal student loans will be converted to Direct Loans, beginning July 1, 2010.** Direct loans are insulated from market swings.

EDUCATION LEGISLATIVE SERVICES, INC.

WASHINGTON, DC:
230 E Street, NE, Washington, DC 20002
TEL: 202/544-7364 FAX: 202/547-4205

Sally Shake, President/CEO

E-MAIL: ELS.CA@COX.NET

CALIFORNIA:

1717 Birdsong Place, EL Cajon, CA 92021
TEL: 619/444-4997 FAX: 619/444-4997

- HR 3221 invests **\$3 billion in more robust college access and completion support programs for students**, including increased funds for the College Access Challenge Grant Program, and for innovative State and institutional programs that **improve student financial literacy**, and help with graduate student retention.
- The bill simplifies **federal student financial aid forms and applications (FAFSA)**, making it easier for students and families to apply, since they will be able to use the information from their tax returns.
- HR 3221 provides \$2.55 billion to help students in Historically Black Colleges and Minority-Serving Institutions stay in college and graduate. It offers loan forgiveness to military service members who are called up to duty in the middle of an academic year.
- The **President's community college agenda is funded at \$12 billion through the American Graduation Initiative (AGI)**. AGI funds will support competitive grants for community colleges to raise access, quality and achievement. This investment is expected to allow 5 million more students to graduate from college by 2020.
- **AGI funds also will stimulate innovation and reforms to accelerate student learning through partnerships with K-12 schools, philanthropic organizations and businesses**. AGI dollars also will provide leverage for states to improve access to workforce training and higher education so that students complete college degrees.
- About \$2.5 billion is allocated to increase college graduation rates, and the College Access and Completion Fund will help States increase postsecondary completion especially for minority students.

Other Selected Provisions

- **The AGI provides, according to Secretary Duncan, "higher education new opportunities to leverage the benefits of free educational resources available on the Web**. These courses will offer the best subject matter content matched with the best cognitive science, to optimize educational attainment."
- HR 3221 also includes a renewed commitment to early learning by establishing an **Early Learning Challenge Grants Program** that provides competitive grants for public-private partnerships in all 50 states, to create better resourced, high quality, early childhood education opportunities, so that non-profit, for-profit, and government sectors can work together. About 12 million children under age five are in some type of early childhood development, learning, or care situation in the U.S.
- A total of **\$5 billion is provided in HR 3221 for school facilities repair, renovation, construction, and energy efficiency**. An additional **\$1 billion** is allocated to renovate and improve **community college facilities**.
- **HR 3221 will contribute to federal deficit reduction** due primarily to changes in the student loan programs. This generates savings of \$87 billion over the next ten years, which the House Education and Labor Committee is investing in larger Pell Grant Scholarship awards, ensuring that federal student loan rates are affordable and that applying for federal student financial aid is easier for students and families.

Advocacy Action

- Approximately 45 Amendments to HR 3221 were submitted by Representatives to the House Rules Committee for approval by the Tuesday night, September 15, 2009 deadline. Some will be withdrawn and others the Rules Committee will not allow to be offered for various reasons. Of those submitted, the House Rules Committee Tuesday night agreed that 24 could be offered on the House floor.
- If this legislation in its entirety, or any part of HR 3221 is important to you, please contact your Representative(s) IMMEDIATELY to discuss these issues NOW.
- Express your views to the legislative staff person who is handling HR 3221 in the Congressional Office(s) that you contact.
- Ask for the vote that you prefer. A “Yes” vote is a vote to support a majority of provisions in HR 3221. A “No” vote is a vote to oppose provisions in HR 3221.
- This bill is moving very rapidly on the House floor. ACT NOW if you wish to conduct federal legislative advocacy on HR 3221!

SUMMARY OF AMENDMENTS TO BE MADE IN ORDER

(summaries derived from information provided by sponsors)

- 1. Miller, George (CA)** The Manager's amendment (20 minutes)
- makes several clarifications to the authority of the Secretary with respect to the College Access Challenge Grants, State Innovation and Completion Grants, and Innovation in College Access and Competition National Activities Grants;
 - ensures that services for veterans under the bill and current law are properly coordinated;
 - establishes a program to provide financial assistance to dependent children of a public safety officer (e.g., firefighters, paramedics, other first responders) who died in the line of duty on the same terms as children of military servicemembers who are killed in the line of duty under current law;
 - authorizes a program to promote and support teacher excellence;
 - makes several clarifications to the loan servicing process;
 - Makes clarifications to the grants for modernization, renovation, or repair of public school facilities
 - Replaces a priority provision about state spending with a requirement that the Secretary consider the State's recent financial commitment to early learning when evaluating Quality Pathway grant renewals;
 - clarifies the Secretary's authority to award American Graduation Initiative grants to community colleges;
 - specifies that Tribal Colleges and Universities are eligible to receive American Graduation Initiative grants;
 - requires the Secretary of Education to provide technical assistance to institutions of higher education in operating the Direct Loan program, including assisting institutions with the transition into the program;
 - includes library services and information literacy activities as part of the enumerated uses of funds under the list of student support services and workforce programs;
 - adds a requirement in the state application of how programs will improve early learning services to better meet the needs of children who have experienced abused or neglect, or have been exposed to violence or toxic stress, homelessness, parental substance abuse or mental illness, or early behavioral and peer relationship problems; and
 - clarifies that both part-time and full-time students are eligible to benefit from the Year-Round Pell Grant program.
- 2. Hoekstra (MI)** The amendment would strike Title III of the bill, which authorizes (10 minutes)
\$6.6 billion in new mandatory spending to create three Federal

school construction programs for elementary and secondary public schools and institutions of higher education, and apply the savings to reduce the Federal deficit.

3. Cardoza (CA) The amendment would direct the Secretary of Education to prioritize community colleges located in areas with high unemployment rates when awarding grants for community college reform. (10 minutes)

4. McMorris Rodgers (WA) Would limit the ability of certain schools that received funding under the economic stimulus package for school construction from receiving additional money through the new Federal school construction program authorized under this bill. (10 minutes)

5. Pingree (ME) Would add to the list of reserved funds for distressed areas and areas affected by natural disaster direction for the Secretary to reserve funds for local educational agencies that serve a geographic area that contains a military installation selected for base closure. (10 minutes)

6. Pingree (ME), Ross (AR) Would remove the prohibition of funding to community colleges who received funds for construction, modernization, renovation, and repair under the American Recovery and Reinvestment Act of 2009, or under the higher education act of 1965. (10 minutes)

7. Foxx (NC) The amendment would strike entire American Graduation Initiative (but maintain the privacy provisions that apply to the whole Act) and put the savings toward deficit reduction. These privacy provisions ensure that student information is protected from individuals not authorized to view it and that students cannot be identified by any unique identifier. (10 minutes)

8. Reyes (TX) The amendment would encourage community colleges to use grant (10 minutes)
money to increase the provision of training for members of the
National Guard and Reserves, and men and women returning
from active duty.

**9. Etheridge (NC),
Welch (VT), Price,
David (NC),
Pomeroy (ND),
Lewis, John (GA),
Scott, David (GA),
Pingree (ME),
Tonko (NY),
Matsui (CA)** The amendment would clarify that borrower services, including (10 minutes)
delinquency prevention, default aversion, and loan counseling, are
allowed uses of grant funds. The amendment also explicitly
authorizes the Department of Education to contract directly with
guaranty agencies for funded services.

10. Driehaus (OH) The amendment would require that states receiving State (10 minutes)
Innovation Completion Grants have plans to increase
postsecondary enrollment and completion among dislocated
workers.

11. Cuellar (TX) The amendment would require the Secretary of Education to (10 minutes)
conduct outreach activities to educate students and their families
about the transition to Federal Direct Lending.

**12. Murphy,
Christopher (CT)** The amendment would clarify that states may use funds awarded (10 minutes)
as Quality Pathways Grants under Section 403(a) of Title IV of
H.R. 3221 to establish or support partnerships with institutions of
higher education that support effective education and training for
early learning providers.

13. Childers (MS) The amendment would require the campus Veterans Resource (10 minutes)
Officer to act as a link between student veterans and mental
health care providers at the Department of Veterans Affairs, in

order to help improve college completion rates for veterans.

- 14. Adler (NJ)** The amendment would give priority for State Innovation Completion grants to entities that promote activities to increase degree or certificate completion for students who are veterans. (10 minutes)
- 15. Himes (CT),
McCarthy,
Carolyn (NY),
Schwartz (PA)** Would make five minor language adjustments to strengthen the financial literacy provisions of the State Innovation Completion Grants, Innovation in College Access and Completion National Activities, and contracting requirements related to private student loan servicers. (10 minutes)
- 16. Kilroy (OH)** Would give priority to “dislocated workers” for community college and state grants. (10 minutes)
- 17. Minnick (ID)** The amendment would allow servicemen and women to transfer academic credits earned while serving in the Armed Forces between institutions of higher education. (10 minutes)
- 18. Perriello (VA)** The amendment would require states to evaluate and report disparities by geographic area (rural and urban) of available high-quality early learning programs for low-income children, and steps the state will take to address the disparity. (10 minutes)
- 19. Schauer (MI)** The amendment would give priority in awarding Federal grants to schools, states, and non-profits to encourage dislocated workers to complete their degrees. (10 minutes)

- 20. Teague (NM)** Would add veterans to the list of priority grantees in Title V. (10 minutes)
Also, would add to the allowable uses of funds programs that prepare students to enter careers in the Veterans Administration, and occupations in energy-related fields.
- 21. Teague (NM)** The amendment clarifies that all savings in the bill not otherwise (10 minutes)
allocated go towards deficit reduction.
- 22. Souder (IN)** The amendment would strike section 123(d), "Suspension of (10 minutes)
eligibility for drug-related offenses," reinstating current law.
- 23. Flake, Jeff (AZ)** The amendment would prohibit funds appropriated under the bill (10 minutes)
to be used for Congressional earmarks as defined by clause 9(d) of rule XXI of the Rules of the House of Representatives.
- 24. Kline, John (MN), Guthrie (KY)** Amendment in the nature of a substitute would extend the (20 minutes)
ECASLA programs through 2014 and create a commission to develop a new private sector model for student lending.