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Back to School - Washington Update

As summer winds down and students return to school, there are a lot of syllabi being distributed around our nation's schools and colleges. Let's take a look at what should be on the syllabus for Congress.

Federal Fiscal Year 2015 Budget

The probability of a FFY15 budget and appropriations bill being passed for the budget piece including the Department of Education is approximately 0%. The House and Senate will each be in session somewhere between eight and twenty days before they break again for the pre-election recess. The general expectation is that Congress will pass a Continuing Resolution (CR) to keep the federal government open until at least December, when a "lame duck" session could pass another CR to extend the budget either well into the next Congress (perhaps into March), or through September 30, 2015. The duration of the second CR could well depend on whether control of the Senate flips from Democrats to Republicans in the November elections

Reauthorization

After many hearings held both by the House Education & the Workforce Committee and the Senate Health, Education, Labor & Pensions Committee, which have jurisdiction over reauthorizing the Higher Education Act (HEA), we are seeing legislation being drafted and voted upon, but nothing has been enacted yet.. Areas of potential or apparent bipartisan consensus include FAFSA simplification and perhaps moving to "prior-prior" year for aid award calculations, restoring year-round Pell, and improving and expanding federal direct loan counseling for students and parents.

In the Senate, Chairman Harkin has issued a "discussion draft" for HEA Reauthorization, a very comprehensive 785 pages, while Ranking Member Alexander has issued a set of priorities for Reauthorization, along with a bill to simplify the FAFSA and allow awards to be based on prior-prior year income, meaning that aid for the 2015-16 academic year would be based on 2013 tax returns, not the 2014 tax returns that would be used under the current methodology.

In the House, three bills were passed with broad bipartisan support, although amendments offered by Democrats in the Committee hearings were all voted down on party-line votes. The bills passed would authorize competency-based

(i.e., credits earned based on demonstrated competency instead of just classroom hours) education, enhanced transparency (information and data available to students and parents to assist in selecting an institution and program of study), and expanded loan counseling and financial literacy programs for students and parents participating in Title IV financial aid programs. It is not clear whether the Senate will take up these bills at all, as Senate (Democratic) leadership has expressed a preference for a comprehensive Reauthorization bill.

One issue that really hasn't been addressed yet in any proposed legislation is how to adjust the Pell Grant program to better fit the needs of working adults and other "nontraditional" or "contemporary" students. While no bill has been introduced that would reinstate funding for LEAP, or renew funding for College Access Challenge Grants, Chairman Harkin's bill would create a State-Federal College Affordability Partnership. Oddly, however, the program specifically excludes state student grant aid from the definition of state support for higher education. NASSGAP submitted comments on this language; our letter to Senator Harkin is available in PDF form as Comments to Harkin on HEAA – 2014 at:

<https://www.nassgap.org/viewrepository.aspx?categoryID=166#>
under correspondence from President Zuzack.

To keep up to date on best practices and hear what other states are doing to best manage state financial aid dollars, be sure to plan to attend our fall conference October 26th-29th in San Diego. More information is available at:
<http://www.nassgap.org/calendarevent.aspx?eventID=104>