

DATELINE: WASHINGTON

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Thank goodness it's spring! I was advised by a mentor long ago to not wish time to pass too quickly. It just seems to pick up speed. But the woes of the day have many of us casting our eyes further out to the horizon of time as we work hard to get to better times as quickly as possible.

You've not heard from me directly for a while because, along with Lee, Chas, Mo and Julie, the work of participating in and monitoring all the matters-at-hand has been exciting and consuming. From the economic concerns grows new enthusiasm for how education K-college must be strengthened. The Higher Education Opportunity Act (HEOA), signed into law in August, brought us a 200-page Dear Colleague letter of significant changes and the current flurry of negotiated rulemaking. The Grants for Access and Persistence (GAP) component of LEAP will become a reality and a challenge in the not too distant future and it brings the opportunity to grow the LEAP programs to new levels. Many of the details of the new programs and their requirements will be discussed at the NASSGAP spring conference.

The simplification of the financial aid application process is in the spotlight. From the perspective of many that is merely a matter of eliminating questions from the FAFSA or using the federal tax system. Your NASSGAP leadership is working to broaden the discussion to the entire process and all of its users to best serve the needs of students and families. Maureen "Mo" Laffey and Sherry Fox are leading that effort for NASSGAP and a special session at the conference will bring our membership together with some of the principle spokes people for the College Board, U.S. Department of Education (ED), NASSGAP and NASFAA.

Lee, Chas and I have been leading the work for NASSGAP on the federal appropriations processes. That's been more complicated and exciting than I've ever known. Really! A regular part of our Washington Update since I've been working for you has been a discussion of money. This time is no different. We have the current year funding (FY09) upon us through an omnibus appropriations bill, as well as some additional money for Pell and Federal

Work Study (FWS) as part of the [stimulus package](#) that passed. As a result, the US Department of Education will release \$200m more in FWS funds to institutions for the new award year (2009-2010). The 2009-2010 Pell Grant maximum will be \$5,350 (\$619 more than the current year, an amount derived in part from that appropriated under the American Recovery and Reinvestment Act of 2009 (ARRA) and the automatic increase under the CCRAA). Under HEOA the flat dollar **minimum** was changed to an amount equal to 10% of the appropriated maximum. For 2009-10 the minimum will be \$486. For the full details of how we got to that number, see DCL P - 09-01 published on February 20, 2009 along with the Pell payment schedules. Level funding is in the omnibus bill place for LEAP/SLEAP for 2009-2010.

As you know, President Obama released a preliminary, high level description of his [FY10 budget proposal](#). Details are expected out by the end of April. There is an opportunity here to influence those details and we are working that opportunity. Congressional staffers are meeting as I write this (yes, on a Saturday) to discuss their budget proposals. A significant question is whether the Pell Grant might become a "mandatory" program which would mean that after a maximum award floor level is set, future year increases will be indexed amounts. As a mandatory program there are no "shortfalls" per se, because the federal budget process automatically covers mandatory programs. Currently, Pell is a discretionary program, so that the funding must be appropriated annually and the shortfalls separately appropriated. An often articulated benefit of recasting Pell Grant as mandatory is that future award levels can be more reliably predicted, an important component of early awareness programs. A budgetary downside is, of course, that Pell would become an entitlement, which in effect binds future Congresses, something legislators are usually reluctant to do.

The President's preliminary FY10 budget description and the testimony of Secretary Duncan include proposals to increase Perkins loan funding to \$6 billion (from \$1 billion), to eliminate the Federal Family Education Loan Program (FFELP) with signifi-



cant expansion to Federal Direct Student Loan Program, and to create an Access and Completion Incentive program for states. Notably, the new [Access and Completion Incentive program](#) outlined in the preliminary document has been described as an effort that will build on the success of the federal and state partnership of LEAP. "Savings" from the elimination of FFELP are the reported source of funds needed to make Pell Grant a mandatory program, and to enable the President's other initiatives. We have been working some extended hours with our colleagues and our friends in Congress to keep LEAP and the state agencies as the identified principal partners in these proposals. We realize that 20 NASSGAP member agencies are also FFELP guarantors, and that the President's proposal could affect their grant-related activities.

[Negotiated Rulemaking](#) is picking up speed. The second series of meetings will take place in April. Maureen "Mo" Laffey represents NASSGAP on the committee assigned general provisions and the LEAP/GAP programs. In addition to attending the meetings, Mo has devoted many hours to preparation, follow up discussions and deliberations in support of ED's work to develop proposed regulations. Mo has been sharing the details with your executive committee and federal relations committee and will address the matters under consideration at the conference.

Since our conference in October there have been many, many meetings and opportunities to represent [NASSGAP at the "table."](#) As noted above, Lee and Mo have gone above and beyond, despite all the pressures of limited time and resources, by coming to DC to represent your concerns. Some of the meetings I've attended include:

- USDE Hearing on HEOA, presented NASSGAP testimony, October
- FSA Conference, Dallas, TX, October
- USDE Stakeholders' Meetings, November and December
- Jon Vaupel, VP-Elect Biden and Obama Transition Team, December
- Robert "Bob" Shireman, Obama Transition Team, January
- Brett Leif, NCHHELP, February
- US Secretary of Education Arne Duncan, meeting with selected representatives of higher education, February
- Dan Madzellan and David Bergeron, USDE, re. MOE and other matters, February
- USDE, Negotiated Rulemaking, multiple meetings, March
- Student Aid Alliance, multiple meetings, March
- Committee on Education Funding, Breakfast to honor new representatives, March

While the wrens tweet and chirp their announcement of the arrival of spring, we have much about which we'll Google and Twitter. It has taken the combined efforts of many to keep up with all that's popping in DC and the cherry blossoms aren't even out yet. But, they should be in bloom for the NASSGAP conference to be held April 5-8. Julie Leeper has been working hard to identify an impressive group of speakers and panels. We know how difficult the times are, but if you can manage to make it to the conference it will be your opportunity to efficiently and effectively engage in the developments of our future programs and their funding levels. It's late but not too late to plan your trip. If I can help, give me a call.

Marie

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