



nassgap

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national association of state student grant and aid programs

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NASSGAP URGES MEMBER STATES TO VOICE THEIR CONCERN OVER THE PRESIDENT'S 2007 EDUCATION FUNDING BUDGET

The National Association of State Student Grant and Aid Programs (NASSGAP) has taken steps to urge its member states to call upon their legislative delegations to oppose the cuts to higher education financial aid programs proposed in President Bush's 2007 Fiscal Year Budget Request. Proposed cuts include the elimination of the Leveraging Educational Assistance Partnership (LEAP), which leverages federal dollars with a state match of up to 2-to-1 to provide need-based assistance for low-income students attending postsecondary institutions.

NASSGAP represents the state agencies that administer state grant and scholarship programs. For the 2003-04 award year, states awarded over 800,000 students with LEAP awards that averaged \$1,245 per student (U.S. Department of Education data). "States have been able to be very generous with the dollars used to match or leverage the federal funds under this program. But states like Louisiana, hard hit by the hurricanes in 2005, will not be able to make up this loss if federal dollars are not forthcoming. If the LEAP program is eliminated, Louisiana will not have a need based grant program and I'm afraid that other states will be in the same situation," noted Melanie Amrhein, President of the association.

LEAP funds are available for students attending any Higher Education Act Title IV eligible institution and can be used to defray the cost of attendance and reduce the dependence on loans for many needy students. LEAP grants are need-based and targeted toward the poorest students – nearly 60 percent of LEAP students reported family income under \$20,000. States receive no federal administrative funding; students receive 100 percent of the federal appropriation and the matching state funds.

LEAP is just one of the over forty programs targeted for elimination by the President's budget. NASSGAP member agencies also administer other targeted programs such as GEAR-UP and the Byrd Scholarship Program.

GEAR-UP has a very successful track record in reaching students early in their middle school years and not only offering financial assistance, but also preparing them academically through tutoring and special services. Eliminating funds for GEAR UP will seriously curtail efforts currently in place by states to prepare students for post secondary education.

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The mission of GEAR-UP is summed up on the Department of Education website:

The GEAR UP program is designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. GEAR UP provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools. GEAR UP grantees serve an entire cohort of students beginning no later than the seventh grade and follow the cohort through high school. GEAR UP funds are also used to provide college scholarships to low-income students.

“NASSGAP will prevail upon its members to contact their congressional delegation and inform them of what their state will lose if these programs are not funded for 2007. Collectively the loss will be significant for all our students. A \$65 million reduction in federal funding for the LEAP program could result in hundreds of millions of dollars of lost grant aid for needy students if the states direct their matching dollars elsewhere once the federal commitment is removed,” Ms. Amrhein added. “ Clearly, these proposals do not address the growing college participation gap between high and low income families, and they hinder the ability of our nation to remain economically competitive in the global market,” Amrhein added.

The National Association of State Student and Grant and Aid Programs (NASSGAP) is a member organization representing the higher education student grant agencies of every state and U.S. territory. Each year our member states provide more than \$7.3 billion in aid to 3.5 million students. Our members are partners with the federal government in administering important student aid and outreach programs such as LEAP, Byrd Scholarships, GEAR UP, and student loans under the Federal Family Education Loan Program (FFELP).