

**CCCSFAAA
Federal Issues Report
Nancy Davis
1/26/09**

The Federal Issues Committee has not yet met, but the following issues are on the horizon:

The American Recovery and Reinvestment Bill of 2009

Provide \$15.6 billion to increase Pell by \$500 in 09-10

Increase subsidized Stafford Loan limits by \$2000

Provide an additional \$490 million for federal work-study

Provide \$6 billion for higher education

Provide \$50 million to help DOE administer surging student aid programs while navigating the changing student loan environment

Provide \$79 billion in state fiscal relief to prevent cutbacks to key services including \$39 billion to local school districts and public colleges and universities, \$15 billion to states as bonus grants to reward them for meeting key performance measures and \$25 billion to states for other high priority needs.

American Opportunity Tax Credit (combining the Hope and Lifetime Learning Programs at \$4000 annually with a service component of 100 hours).

In addition, President Obama is supportive of community college partnerships, new AA degrees, increasing the maximum Pell Grant to \$5100 among others.

The following information was provided by Anne McKinney:

In December, then President Elect, Barack Obama, announced Arne Duncan, the head of the Chicago school system as U.S. Secretary for Education and Linda Darling Hammond will play the role that outgoing Secretary Margaret Spellings had in the first term of the Bush presidency.

Four new democratic freshmen congressmen have been seated on the U.S. House Education and Labor Committee (Rep. Marcia Fudge (D-OH), Rep. Jared Polis (D-CO), Rep. Paul Tonko (D-NY) and Delegate Pedro Pierluisi (D-PR). In addition, five new Republicans will serve on the Committee as well (Rep. Brett Guthrie (R-KY), Rep. Bill Cassidy (R-LA), Rep. Tom McClintock (R-CA) and Rep. Duncan D. Hunter (R-TN).

According to Anne McKinney, "Republican Howard P. "Buck" McKeon indicated that Committee Republicans will once again pursue an agenda of economic growth and educational innovation".

CDR Issue

An issue which was discussed last year is the CDR issue. Per Margie Carrington, "We have been strong advocates for a front end low participation rate exemption and suggested that the FISAP could be modified to include borrower data. Since not all Title IV schools submit a FISAP, the Department asked us for other options at the public hearing in Pepperdine – schools that use the FISAP could use it and those that do not could have a DOE site where they report the number of eligible students and number of borrowers by year, etc...the push, regardless, is to have this allowable exception be moved from an appeal AFTER CDRs are released (and the potential damage is done) to a front end data element that would determine if in fact you have enough borrowers in the mix to make this a viable instrument to determine school integrity, etc.

Jackie Bradley suggested that we request a side by side 2 year and 3 year CDR comparison (possibly from EdFund) which could help illustrate the problem facing the community colleges so long as the participation rate is also included.

We need to discuss this issue further and get input from others.

ACT – Fees for scholarship applications

Helen Bersie, a Board Member for AAUW (the American Association of University Women) notified us that the national branch has forwarded a plan in association with the college testing organization, ACT, urging branches to use ACT to manage their local undergraduate scholarships, most of which are for students at public colleges/universities. Under this arrangement, student applicants would pay a fee of \$25 to ACT.

She wants to know CCCSFAAA's position on this initiative by ACT. According to Helen, "it appears to be a new venture for them (ACT) and I believe it would legitimize additional scholarship application fees by more organizations and foundations. Many of us, especially with college/university professional backgrounds, see very little benefit, if any, to students and find the initial proposal contrary to increasing college access in our area." She also would like CCCSFAAA to send a statement that would help their organization alter or oppose this plan.