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Domenici Amendment

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July 22, 1993

Madison
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Office of
the President

The Honorable Edward M. Kennedy
Chairman
Labor and Human Resources Committee
United States Senate
Senate Russell Building, Rm. 315
Washington, DC 20510

Dear Senator Kennedy:

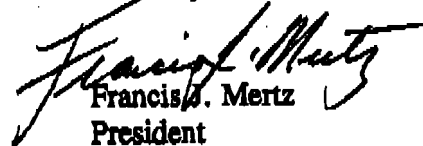
I have just learned that an amendment may be offered today or tomorrow on the Senate floor to connect the funding of the National Service Trust Act with funding of other higher education programs -- Pell Grants and campus-based financial aid.

On behalf of Fairleigh Dickinson University, I write to urge you to oppose any proposal that may be offered on the floor to connect the funding of the National Service Trust Act with funding of other higher education programs, like Pell Grants and campus-based financial aid programs.

I believe that students benefit from varied sources of support for their higher education and training, and feel very strongly that national service and educational entitlement programs should not have to compete with each other for funding.

National Service legislation should be considered on its own merits. I continue to support Senate passage of the bill as previously reported by your committee.

Cordially,


Francis J. Mertz
President

FJM:gg

The Domenici "Trigger" Amendment

FALSE PREMISE. FALSE CHOICE. FALSE SOLUTION.

BASED ON A FALSE PREMISE:

Namely that refusing to fund a program under a given subcommittee's jurisdiction will make funds available for another program in a completely different subcommittee.

PRESENTS A FALSE CHOICE:

National service is not linked to funding for higher education. It has nothing to do with need-based aid and should have nothing to do with it.

The National and Community Service Trust Act of 1993 builds on the 1990 National and Community Service Act signed into law by President Bush, not the Higher Education Act of 1965. This is a service bill not an education bill.

Like the G.I. Bill, the Peace Corps, and programs under the 1990 Act, this initiative authorizes post-service benefits for the participants who earn them.

OFFERS A FALSE SOLUTION:

This amendment will do nothing for student aid. It will *not increase* funding for student aid; it will *only decrease* funding for national service. The measure therefore will result in a net loss of investment in our young people. This proposal is nothing more than a clever attempt to kill national service.

Summary of Domenici Amendment

This amendment would condition the appropriation of funds for National Service on the prior appropriation of funds for certain student aid programs and Pell grants.

Specifically, the amendment states that no funds may be appropriated for any fiscal year to provide national service awards unless the following programs are first funded at the FY 93 level: College work-study; Supplemental Educational Opportunity Grants (SEOG); State Student Incentive Grants (SSIG); Perkins Loans; Pell Grants at a \$2300 maximum award level. In addition, this amendment would require that the entire Pell Grant shortfall, now estimated at \$1.2 billion, be retired before any money is spent on national service awards (estimated at \$125 million for FY 94).

The effect of the amendment would be to tie the appropriations of the HUD-VA appropriations subcommittee to appropriations of the Labor-HHS appropriations subcommittee. It would also bind future Congresses to an appropriations floor for the affected student aid programs at 1993 funding levels. Finally, it would condition national service appropriations on a specific maximum grant level in the Pell program, when that level has historically changed from year to year, depending on the number of students in any given year who meet the Pell program's financial need criteria.

DOMENICI TRIGGER AMENDMENT: TALKING POINTS

The Domenici amendment ties funding on national service to prior funding of the following programs at FY 93 levels: Work-Study; SEOG; Perkins; and SSIG. In addition, it ties funding to funding of a Pell maximum grant at \$2300 and the full funding of the Pell shortfall (now estimated at \$1.2 billion).

As I stated last evening, I am in complete agreement with Senator D. on the goal of fully funding all of these programs for next year at the 1993 levels. As for Pell, the new figures suggest that this is going to happen. We will have \$2300 maximum grants, with

no cuts to the existing program.

As for the other programs, we have sought restoration of the \$200 million for campus-based programs, and the House has voted to appropriate \$128 million of that. We and the Administration remain committed to a full restoration of the entire \$200 million. As for SSIG, we remain \$10 million short for next year, and we likewise expect to restore that amount.

The Pell shortfall is another matter. And on this one, I am intrigued by the sudden zeal of my Republican colleagues to get rid of a program deficit that their administrations brought us in the first place – and that they refused down the line to cure less than 2

months ago. The President's stimulus package contained money to retire the Pell shortfall, and we all know who derailed that package.

Indeed, I am intrigued in general that Sen. Domenici and his colleagues wish in this amendment to style themselves as the guardians of these student aid programs. As I suggested last evening, the Leopards seem to be changing their spots rather dramatically. Lets look at the record.

Let's start with the Pell Program. President Reagan sallied forth in 1983 with a budget designed to decimate student aid across the boards. He was looking to cut a whopping \$1.75 billion from 1982 levels. Where was the Pell program in this? Well,

President Reagan wanted to slash the Pell Program by 40%. In 1986 he was at it again, looking for a 25% cut in Pell. In 1987, the Republican administration's budget again sought to cut Pell, this time by 10%. In 88 the recommended cut was 35%.

What about State Student Incentive Grants (SSIG) another program Senator Domenici wants to protect with this amendment? The Republicans have spent 12 years trying to get rid of it, trying to erase it from the books. In every year from 83 to 92 the Administration's budget called for zeroing out the SSIG program. No funding at all.

And SEOG (Supplemental Educational Opportunity Grants)? They haven't fared much better on the

Republican watch. Every Republican budget from 1983 to 1991 sought to eliminate – defund – that program as well.

And Perkins loans, also part of Sen. Domenici's amendment? Well, in four years, the Republican Presidents sought zero funding for Perkins (83, 84, 85, 86). And in all but one other year, they moved to slash the program by almost 90%. (The only exception was 87, when they sought a 22% cut).

Finally, work-study, the last of Sen. Dom's. new-found causes. It was on the chopping block, for zero funding in 87 and 88. Other years (83, 92), the Republican administration sought to cut it by 25% or over.

In short, when you consider this amendment, I would ask that you consider the source. The last 12 years have brought nothing short of a relentless assault on educational access for our nation's poorest students. Who do you think was fighting all those years to save those programs? ... Furthermore, at our first opportunity to fix a problem (inherited from the Republicans) with the largest of these programs (Pell) the Republicans continued that assault, filibustering the stimulus package that would have eliminated the Pell shortfall.

Does it make you wonder? Is this an amendment designed to protect student aid programs, or is it rather designed to hamstring the appropriations committees, so that we may end up with the worst of

both worlds – no national service, and underfunded student aid. A lot of people in the House and the Senate have done a lot of work to make sure that national service (a \$400 million program) is not traded off against student aid (over \$6 billion). The programs are simply not comparable in size or purpose. National service is not a brand of financial aid. It is a merit scholarship based on service performed.

PELL WILL TALK ON MERITS

MIKULSKI, HOPEFULLY HARKIN WILL SPEAK ON PROCEDURAL PROBLEMS WITH TYING TWO DIFFERENT APPROPRIATIONS SUBCOMMITTEES TOGETHER.