RECORD TYPE: FEDERAL (NOTES MAIL)

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CREATION DATE/TIME: 5-MAR-1998 20:52:02.00

SUBJECT: ALERT and USSA Testimony on Interest Rate Change

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READ:UNKNOWN

TEXT:
USSA testified at a hearing held today on the scheduled rate change for
student loan interest rates. While the members of the House Subcommittee
on
Post-Secondary education which held the hearing listened carefully to
USSA's presentation on student concerns and expressed their interest in
lowering the cost of loans, USSA and student friendly witnesses were far
outnumbered by representatives of the banking industry and others trying
to repeal the scheduled change and rob students of the $11 BILLION dollars
in savings they have been anticipating. As the bakning industry
continues their full court lobbying press (they have a PAC
devoted to the issue, they send bankers to DC to meet with
legislators, and they are even contacting university presidents,
trying to persuade them to lobby on their behalf), students, graduates,
and those
wanting to make access to education a reality MUST call members of the
House Education and the Workforce Committee and express their need to see
a significantly reduced interest rate on student loans. The Committee
will make a decision on this issue in the next week!

CALL 1-202-225-3121 TO BE CONNECTED WITH THE FOLLOWING OFFICES. TELL
THEM YOUR STORY OF THE IMPACT OF OVERWHELMING DEBT ON STUDENTS LIVES
AND URGE THESE MEMBERS TO LOWER THE COST OF STUDENT LOANS!

Majority Party

Goodling (PA)-chair   Petri (WI)   Roukema (NJ)
Fawell (IL)   Ballenger (NC)   Barrett (NE)
Hoekstra (MI)   McKeon (CA)-sub.cmte chair
Castle (DE)
Johnson (TX)   Talent (MO0   Greenwood (PA)
Knollenberg (MI)   Riggs (CA)   Graham (SC)
Souder (IN)   McIntosh (IN)   Norwood (GA)
Paul (TX)   Schaffer (CO)   Peterson (PA)
Upton (MI)   Deal (GA)   Hilleary (TN)
Scarborough (FL)

Minority Party

Clay (MO) -ranking member   Kildee (MI) --subcmte ranking member

Miller (CA) Martinez(CA)
Owens (NY) Payne (NJ) Mink (HI)
Andrews (NJ) Roemer (IN) Scott (VA)
Woolsey (CA) Romero-Barcel (PR) Fattah (PA)
Blumenauer (OR) Hinojosa (TX) McCarthy (NY)
Tierney (MA) Kind (WI) Sanchez (CA)
Ford (TN)

Testimony of Erica Adelsheimer
Legislative Director, U.S. Student Association
before the U.S. House of Representatives
Subcommittee on Post-Secondary Education, Training
and Life-Long Learning

Thursday, March 5, 1998

My name is Erica Adelsheimer, and I am the Legislative Director of the United States Student Association (USSA). USSA is the nation's oldest and largest student organization, representing over 3 million students at more than 350 public universities, private universities, and community colleges across the country. USSA is an entirely student run organization. Our Board of Directors are all current students and our national staff and officers are either recent graduates or students on leave from their studies. On behalf of our millions of student members, I thank you for the opportunity to testify before the Subcommittee on the important topic of student loan interest rates. I offer our testimony also on behalf of U.S. PIRG's Higher Education Project and the National Association of Graduate and Professional Students (NAGPS).

Mr. Chairman, as advocates for educational access, USSA members prioritized lowering the cost of student loans at our 1996 and 1997 National Student Congresses. Our membership felt this was important, not because they were aware at that time of any arguments to repeal the scheduled rate change, but because they felt overwhelmed by their amassing debts. To put it most directly, for millions of students throughout the country the college dream has turned into a nightmare of debt. Community college students, public and private baccalaureate students, and graduate students are all suffering under the tremendous burden of ever-increasing loan debt. It is within the broader context of student debt that USSA believes the issue of interest rates must be analyzed.

Significant increases in student loan borrowing are well documented. The General Accounting Office recently released a report on the topic to Senator Carol Moseley-Braun. The report, entitled Higher Education: Students Have Increased Borrowing and Are Working to Help Pay Higher Tuitions, provides an overview of what today's students confront as they contemplate their options for financing college costs. This important GAO report indicates that both the percentage of those who borrowed and the average amount of borrowing have increased significantly in recent years.

For example, the percentage of bachelor's students who had borrowed by the time they finished their degree rose from 46 percent in 1992-92 to 60 percent in 1995-96. In just three years, and including adjustments for inflation, the average amount borrowed for these students increased by more than $3000 from approximately $10,100 to nearly $13,300 in constant 1995-96 dollars. Furthermore, the percentage of graduating seniors who had borrowed $20,000 or more rose from less than 10 percent in 1992-93 to nearly 20 percent in 1995-96. For professional students, average loan debt rose by nearly $15,000, jumping from approximately $45,000 in 1992-93 to nearly $60,000 in 1995-96. Moreover, sixty percent of these students completed their programs with loan debt of $50,000 or more.

In assessing the GAO's findings, it is important to note that these figures are now almost two years old, that loan debt has continued to climb since 1995-96, and that the figures only reflect federal student loan borrowing. The figures do not account for debt students may have on credit cards or in private loans. It is also important to note that students are borrowing more at the same time as more of them are taking on jobs while enrolled full-time. In 1995-96 more than two-thirds of all full-time undergraduate students worked over 20 hours per week.

Mr. Chairman, we at USSA are intimately familiar with the full meaning of these statistics in students' lives. Every day in our office we receive calls from students who are anxiety-ridden about the amount of loan debt they have taken on and literally terrified as to how they will make the necessary loan payments after graduation. For instance, Aisha Anderson, President of the Black Action Society at the University of Pittsburgh and field organizer for the Pennsylvania State Student Association, will graduate from her low cost public institution with approximately $20,000 in debt. In addition to the hours spent at the two jobs she has held every semester since her sophomore year, Aisha has lost time she would have preferred to devote toward studying worrying about how she will cope upon graduation. Her decisions with regard to attending graduate school will be made largely by calculations of existing debt and the inevitability of even greater dependence on student loans in the future.

For Grace Wun, the situation is even worse. She is graduating this semester from New York University with over $40,000 in loans. She has taken on this debt even while receiving available need-based grants and numerous academic scholarships. Her monthly loan payments after graduation will be in excess of $400 per month and her total debt on a 15 year repayment plan will double. She has already turned down her top choice for employment, a public service position, because she is concerned that she would be unable to meet the staggering monthly repayments.

The situation for Liz and Ian See is equally disturbing. Liz graduated from the University of North Carolina School of Medicine in 1997. Ian received a Master's degree in engineering from University of California at Berkeley in 1995 and is now pursuing a Master's in Business Administration at Northwestern University. Even though Liz's medical school tuition was only $2,000 per year and Ian has no loans from his undergraduate degree and the tuition for his engineering degree was fully funded by his employer, by the time Ian completes his business degree, together they will have amassed over $100,000 in loan debt. Their monthly payments will be approximately $1,000 per month, exceeding their monthly rent. Liz had hopes to practice family medicine in an urban underserved area or in rural North Carolina, but is now unsure that she will be able to do so. The couple can not afford to purchase a car, and can not even consider buying a house, putting any money into savings, or even having children in the near future. In fact, they often do not have enough money for visits with family over the holidays. For this couple, the benefits of education have cost them dearly, and they worry not only about how they will get themselves out of debt, but how they will ever be able to put away money for their own children's education.

The stories of these individual students are but a few examples. Together with the statistical data, they are evidence of a trend, which if not held in check, will result in even more borrowing with even more disabling consequences for an ever increasing number of students in the coming years. As these stories point out, the growing reliance on debt for the financing of college costs has public policy consequences at multiple levels for our nation. The crushing levels of post-graduation debt are significantly limiting career options for many college graduates, steering them away from public service professions simply because salaries in many such fields make repayment of student loans infeasible.

Even for those who are not engaged in especially low-paying occupations, increased monthly student loan payments are crowding out consumer purchases, such as cars, or even homes, that may have been taken for granted a mere decade ago. Furthermore, graduates with enough income to consider buying a home, soon find out that here too they will be disadvantaged because of their student loans: because student loans increase the graduate's debt-to-earnings ratio, they are confronted with higher interest rates on their mortgages, making this type of investment nearly impossible.

Finally, it is also important to keep in mind that for women, who comprise a large percentage of older, returning students but whose average annual earnings still lag significantly behind their male counterparts, the effects of overwhelming loan debt and high interest payments are even more crippling. In 1995 average income for females with bachelor's degrees was more than $20,000 less than that of males and average income for female graduates of professional schools was more than $50,000 less than that of males, making monthly loan payments for female graduates that much more burdensome.

As the anxiety about student debt continually occupies the minds of so many of our staff, officers, and student members, USSA has made efforts to analyze what can be done to alleviate this burden. USSA views the anxiety about college debt as a function of three separate factors, whose interplay has brought about the serious problems students now face. All three factors are within the jurisdiction of this Subcommittee, and we are confident that under your leadership, and with bipartisan support, all three aspects of the problem will be properly addressed.

First among these is the question of college costs and the high rate of inflation in college tuition. Mr. Chairman, we are especially thankful to you for your leadership on this important matter. While we do not believe legislation as such can directly mitigate price hikes, we do believe that the high level of attention brought to bear on the issue has begun to prove helpful. Leaders of many institutions have expressed a recognition of their obligation to control costs. Nevertheless, we must assume that even with diligent efforts by the education community, costs will continue to rise.

Second, the failure of federal student aid programs to keep up with costs, and the dilution of these programs in terms of targeting the neediest students, have resulted in more and more needy students having no other options but to borrow. We are confident that the legislation this Subcommittee will support during this reauthorization of the Higher Education Act will be a significant move in the right direction on this front. Specifically, we believe that important changes in need analysis will enable thousands of students with immense financial need to access Pell grants. We also look forward to changes to strengthen and support other critically needed grant programs, including a state matching grant, the Federal Supplemental Educational Opportunity Grant, and the graduate fellowships, each with their unique purpose. Additionally, we believe that by maintaining the current aggregate loan limits, the Congress will help keep the rate of borrowing in check. Increased aggregate loan limits, USSA believes, would only accentuate the federal grant/loan imbalance, force students into greater debt, and relax pressure on states and institutions to provide additional state and institutional aid.

Third, and most relevant to today's hearing, is the issue of cost of borrowing. To the extent that significant borrowing for college has now become the norm, it is crucial that improving the terms and conditions of educational loans be a top federal priority. Clearly, a reasonable interest rate on student loans is the single most important factor in making borrowing more affordable.

The new formula for determining the interest rate on student loans, scheduled to go into effect on July 1, 1998, would produce a significant drop in interest rates. To most students, an interest rate of 7.11 percent--which is what the rate would be on loans made after July 1 of this year if the new formula were to go into effect--looks similar to market rates on other familiar types of loans. As virtually all other types of consumers--such as those purchasing houses or cars---have experienced drops in their interest rates because of the nation's robust economy and shrinking federal deficits, students have intuitively expected a major decrease in their student loan rates.

The Subcommittee must answer the same question that students across the nation are asking themselves: what student loan interest rate is appropriate in a time where interest rates on most other loans are declining dramatically? To students, 7.11 percent has appeared as not unreasonable, while colleagues representing the student lending community have presented numbers in excess of 8 percent as their best offer. A decade ago, when borrowing was not as prevalent nor the amount of loan debt nearly so high, the difference between the two rates would not have been so crucially important. But today, given the increased number of those who borrow and the increased amounts in question, the difference in cost would be quite enormous for students who are already having a difficult time keeping up with their payments.

For a student with $15,000 in loan debt, a 1 percent drop in the interest rate would mean a savings of nearly $1000 under a ten-year repayment plan. For a student with $40,000 in loan debt, a 1 percent drop would mean asavings of $2,500 under a ten-year plan and more than $6,100 if the student needed 20 years to repay the loan. For the many graduate and professional students graduating with loan debt of $80,000 or more and who very often do need 20 years to pay back their loans, a single percent drop in the interest rate would mean savings of more than $12,200.

Students have patiently awaited the scheduled interest rate reduction for some five years. It is important to remember that as late as two years ago, the July 1, 1998 rate change was promised again to students as a scheduled reduction in rates, and its retention was cited as a major student benefit. It is only over the last year, as participating lenders in the Federal Family Education Loan (FFEL) Program have publicly argued for repealing the rate change, that students have become aware that the new formula is in danger of being eliminated. We first became aware of the lenders' concern with regard to the use of a long-term index last year. Our view on the question of short- versus long-term indexation was, and remains, one of accommodating the needs of private-sector lenders. To put it more directly, students generally do not focus on the underlying index used to set the rate. As the question of the new rate formula became more heated and more broadly discussed, the second and more difficult problem, that of lender yield, was finally articulated. On this question, which has to do with the actual numerical level at which the rate is set, students have rather strong sentiments, based on reasons I have attempted to describe.

As the debate has become more public, and to a large extent because of the consultative manner in which you have directed all participants to attempt to negotiate an acceptable solution, USSA and our student colleagues have been involved in extensive discussions with our colleagues from the student loan industry and other associations. Mr. Chairman, I very much appreciate the fair and even-handed manner in which the Subcommittee has approached this issue. You and Ranking Member Kildee have made every effort to ensure that students have input into the deliberations of this Subcommittee as it became aware of the extent of concern among student lenders about the July 1 scheduled rate change.

In the course of our collective effort with all affected parties, USSA has attempted to represent the interest of students in a responsible manner. USSA, and students in general, fully appreciate the importance of maintaining sufficient profitability in student lending so as to ensure the continued participation of for-profit entities in the FFELP. We fully understand that unreasonably low rates would be meaningless if no lender would be willing to offer them to students.

The issue, therefore, is a very complex one for USSA in that we have had to balance our desire to minimize the cost of borrowing with a realistic understanding of the absolute legitimacy of private lenders' requirement that student loans remain profitable for them. To this end, we made concessions that have included some higher costs for students. Regrettably, the distance between the two sides was too great for this approach to work. In addition, we attempted to accommodate the stated requirement of lenders for substantially higher maximum rates by allowing such rates in FFELP, but subjecting such rates to market pressures by retaining the scheduled rate for the direct loan program. This approach was, in our view, a promising way of ensuring continued lender participation at the best market rates. Unfortunately, lenders with whom we were negotiating rejected this framework.

The Subcommittee has thus been compelled to make decisions it may have preferred to have had negotiated. We believe the Subcommittee has listened carefully to the students throughout the past several months and shares our concerns. We urge the Subcommittee to guide Congress in providing low cost loans to students while ensuring adequate access to capital. We do not, however, believe that Congress should maintain a loan program that protects the profit margins of each and every lender who desire to be in the business of student lending.

The release of the report from the Treasury Department, and the subsequent Administration proposal on rates have been the most significant new events in the course of our long and drawn-out discussions within the higher education community. The Treasury report appears to support the view that for-profit lenders can continue to participate in FFELP at substantially lower rates than are currently in
effect. At the same time, the report supports the lenders in their desire to use a shorter-term instrument as the underlying index for rates. We have no way of independently assessing the Treasury report, except to hope that the Subcommittee can factor its findings into its deliberations, and to give its findings the proper weight. The Administration proposal certainly does appear to provide anticipated benefits to students in reference to the July 1 baseline, and we certainly hope that the Subcommittee will strive for a similar outcome in any policies it may decide to pursue.

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RECORD TYPE: FEDERAL (NOTES MAIL)

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CREATION DATE/TIME: 5-MAR-1998 23:53:16.00

SUBJECT: CI Cap Hill Bulletin 3/5/98

TO: bulletin recipients <ransdell@calinst.org> (bulletin recipients <ransdell@calinst.org> [UNKNOWN])
READ:UNKNOWN

TEXT:
The California Institute For Federal Policy Research
California Capitol Hill Bulletin
Volume 5, Bulletin 8 -- March 5, 1998

To view online: <http://www.calinst.org/bulletins/bull508w.htm>

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Lofgren & Boxer Help Launch New Privacy Coalition To Fight Encryption Restrictions
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First-Ever California Biomedical Resource Directory Available
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To expand communications between Washington and California, the California Institute provides periodic faxed bulletins regarding current activity on Capitol Hill which directly impacts our state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods. The e-mail edition is made possible in part by a computer server donation from Sun Microsystems.

PRESIDENT SENDS UP SUPPLEMENTAL APPROPRIATIONS BILL WHICH INCLUDES DISASTER MONEY

President Clinton sent Congress yesterday a request for a $4.1 billion supplemental appropriation that includes $387 million in additional funding for relief efforts in the face of damages caused this winter by El Ni¤o. Of that amount, California is expected to receive about $177.3 million, bringing the total influx to California so far to $217.3.

California's new relief money, which is expected to be approved by Congress, would be apportioned as follows:
- $126 million for emergency highway repairs (Dept. of Transportation);
- $25 million for debris removal (Corps of Engineers);
- $19.7 million for repair and cleanup of park lands (Interior Department);
and
- $6.6 million for farms hard hit by the rains (Dept. of Agriculture).

Most of the money in the supplemental will be used for military operations in Bosnia and the Middle East, including Iraq.

The House and Senate are expected to move quickly on the request, with the hope of completing action before the end of the month. Unlike other supplementals over the last several years, it is not expected that Congress will require this additional spending to be offset by cuts in other programs.

ANOTHER STEP IN THE HEADWATERS DEAL

An Agreement in Principle on a 50-year habitat conservation plan (HCP), was reached last Friday. A key element toward implementing last year's deal between the Pacific Lumber Co. and federal and state officials who want to purchase the Headwaters Forest, the HCP agreement is the most recent of many steps being taken to complete the deal. Last fall, negotiators had struck a preliminary deal with Charles Hurwitz of the Pacific Lumber Co. and owner of the land that includes the Headwaters forest, in which the federal government would provide $250 million for procurement and the State of California would contribute an additional $130 million to buy the forest. The 1,000-year-old Headwaters forest is the nation's last privately-owned unprotected expanse of virgin old-growth redwoods and has been the subject of an often volatile, decade-long struggle to halt logging of the forest.

Key components of last Friday's HCP agreement include a prohibition from logging in the Headwaters forest and other nearby parcels containing old growth, resulting in a total of over 15,000 acres being protected. In exchange, Pacific Lumber Co. will be allowed to harvest timber on 192,000 other acres in Humboldt County. Preservation of the Headwaters forest and nearby woods is intended to protect, in addition to the trees themselves, the habitats of the salmon, bald eagles, northern spotted owls, and the marbled murrelets who inhabit the forests. Critics of the deal said in press reports that the agreement did not go far enough to protect all threatened or endangered species, including all old-growth trees living in the designated and adjacent areas. Under the agreement, the HCP plan would take effect March 1, 1999 and hold for 50 years.

Many more steps must be taken before the Headwaters deal can be completed. While Congress and the President appropriated the $250 million federal share of procurement in the FY98 Interior Appropriations bill, the state has not yet provided its $130 million share of the deal to buy the lands. Some state officials favor a legislative appropriation, while Governor Wilson has suggested securing the money through a bond measure. In addition, once a final agreement is reached on all the details, public hearings must be held and an environmental impact statement issued on the HCP.

Other signatories to the agreement include: California Secretary for Resources Doug Wheeler; Pacific Lumber Co. owners John Campbell and Charles Hurwitz; Michael Spear, Pacific regional director of the U.S. Fish and Wildlife Service; and William Hogarth, acting regional administrator of the National Marine Fisheries Service. Senator Diane Feinstein, Rep. Frank Riggs (Windsor), Deputy Secretary of the Interior John Garamendi; and Terry Garcia, Assistant Secretary of the National Oceanic & Atmospheric Administration also participated in the negotiations.

CHILD SUPPORT ENFORCEMENT BILL PASSES HOUSE

On Thursday, the House passed a bill, H.R. 3130 introduced by Rep. Clay Shaw (FL), that would reduce the financial penalty imposed on states who fail to implement a statewide computer tracking system for collection of child support. During the one-hour floor debate, an amendment was added to the bill that would deny visas and other immigration services to foreign citizens owing more than $5,000 in support payments to children living in the U.S. In addition to modifying the current penalty structure established in the 1996 welfare reform law, the bill also facilitates states' compliance by allowing for a county-based waiver provision permitting counties with their own effective and elaborate computer systems to be exempt from the unified system requirement. However, all such waivers must be approved by the Secretary of Health and Human Services.

HR 3130 creates a new sliding penalty scale for non-compliant states: 4% of a state's child support administrative block grant in the first year of non-compliance; 8% in the second; 16% in the third; and 20% in the fourth year and thereafter. States would be able to recoup up to 75% of their block grant funds if they comply before the end of a given year. The bill received widespread bipartisan support and passed overwhelmingly out of the House by a 414-1 vote. It is expected to be taken up in the Senate in the coming weeks.

HIGHER EDUCATION ACT REAUTHORIZATION ADVANCES

Though the bill's provisions regarding teacher preparation and student financial aid have yet to be fully resolved, Chairman Buck McKeon (Santa Clarita) and the Subcommittee on Postsecondary Education, Training, and Life-Long Learning on Wednesday reported to the full House Education and Workforce Committee its revisions to the Higher Education Act of 1965.

At Wednesday's hearing, several subcommittee members offered amendments to Title II of the bill, which provides federal money for teacher preparation, but then withdrew the amendments in hopes of working together toward a consensus proposal by the time the full committee acts. The withdrawn amendments would have created alternative certification programs for professional and other highly qualified non-teachers, promoted programs to encourage academic competence by teachers in subjects taught, and formed vertical partnerships among schools and institutions that provide teacher training to give young teachers experience and encourage otherwise not-college bound students to consider a postsecondary education. Several members offered and withdrew amendments based on separate legislation they have introduced. Rep. Lynn Woolsey (Petaluma) recommended her bill, H.R. 3085, "The Partnership for Professional Renewal", as a model for teacher preparation programs. Rep. Loretta Sanchez (Garden Grove) also offered and withdrew amendments concerning mentoring students in preparation for college and funding for Hispanic Serving Institutions (HSI).

Unable to reach consensus before the mark-up, the subcommittee also held a hearing on Thursday to discuss the scheduled July 1, 1998 change to the student loan interest rate. In 1993, under the student loan reform act, Congress changed the base used to set the formula that determines student loan interest rates. Due to recent changes in the financial markets, the new formula would set the student loan interest rate at a point too low to be profitable, according to private lenders who provide two-thirds of all student loans under the guaranteed loan program (FFELP). Proposals to address these concerns vary, with some believing that Congress should change the formula again, but others that the government should increase its direct-lending programs to make up for any private industry shortfalls. Check the Committee's website for testimony at <http//:www.house.gov/eeo/>.

ON THE ROAD AGAIN . . . ISTEA FUNDING AGREEMENTS STRUCK IN SENATE

Debate on the Senate floor this week focused entirely on ISTEA II, the Senate's proposal to reauthorize the nation's transportation laws. On Thursday, a deal was struck to increase funding for mass transit, riding the bumper of a deal made earlier this week to increase highway funding in ISTEA II (S. 1173).

At the start of the week, the six-year bill would have provided approximately $145 billion for roads and bridges and another $35.7 billion for mass transit. With this week's proposed increases, the Senate's bill will provide about $171 billion for roads and bridges and roughly $41 billion for mass transit over the life of the legislation. On Thursday, the Senate adopted by voice vote, with the support of the Senate leadership and Budget Committee Chair Pete Domenici (NM), an amendment to increase highway funding by about $26 billion. The agreement allows federal gas tax dollars, a portion of which was previously dedicated under the 1997 Balanced Budget Agreement to be used for deficit reduction, to be used entirely for transportation funding. While $1.6 - 1.7 billion in potential offsets are said to be needed to offset the increased highway authorization, it is unknown what programs will be targeted.

Of the $25.9 billion provided for by the highway agreement, two-thirds, or about $18.9 billion, is to be allocated to the states by the Senate bill's formula. California is scheduled to receive about 9.1% of the funds allocated by formula used by ISTEA II. The remaining one-third, or $7 billion is to be divided among four discretionary programs: approximately $1.9 billion to the Appalachian Regional Commission (ARC) and roughly $450 million for border crossings and trade corridors; about $850 million for roads on public lands; roughly $1.8 billion to nine states that have large metropolitan areas, California included; and $2 billion to ensure that every state receives a 91% return of the federal gas tax dollars paid into the Highway Trust Fund by the state. Under ISTEA II before the funding agreements, California would receive about 90.7% of its federal gas tax dollars paid into the Highway Trust Fund. The highway funding agreement provides flexibility for states in use of these additional funds. It is unclear what would be California's total share of the $7 billion new funds.

The agreement to increase funding for highways did not please everyone. Several Senators, led by Sen. Alfonse D'Amato (NY), wanted a proportional increase in transit funding as well, to maintain a historical funding precedent established under the original ISTEA law that pledges at least 20% of any new transportation spending increases to mass transit. On Thursday afternoon, a deal between Sen. D'Amato and Sen. Domenici was reported that would increase funding for mass transit by $5 billion. Reportedly, the extra money will be used for new light rail and bus systems. The proposed transit funding increase has yet to be approved by the Senate.

On Wednesday and Thursday, the Senate also considered and approved three amendments. One established a national .08 blood alcohol level standard for drunk driving (62-32), the second established a nationwide ban on driving with an open container of alcohol (52-47), and the third (approved by voice vote) adds tougher ozone and particulate air pollution standards proposed last year and to be enforced by the EPA. Senators defeated (43-56), however, an amendment that would have prohibited drive-through liquor sales. California, along with 14 other states, has already adopted the .08 standard, and it prohibits open-containers in vehicles, and does not allow drive-through liquor stores. The Senate will continue road work next week, as it debates amendments to discontinue minority set-aside programs for federal construction projects and other clean air amendments.

CCSCE REPORT ON CALIFORNIA ECONOMY HIGHLIGHTS STATE'S LEADERSHIP IN MANY KEY SECTORS

California companies lead the nation in an increasing numberof key economic sectors, according to a report released recently by the Palo Alto-based Center for the Continuing Study of the California Economy (CCSCE). The 1998 edition of the Center's annual "California Economic Growth" series notes that the state has gained 800,000 jobs since January 1996, including nearly 450,000 in 1997 alone, giving the state a job growth pace of 6.2% which "far outpaces the very robust 4.6% nationwide gain." The report predicts that "California should have another year of strong job and income gains in 1998 -- again outpacing national growth rates despite exposure to the Asian economic turmoil."

CCSCE director Steve Levy, who also serves as vice chair of the California Institute's Economic Advisory Council, called the state's 1995-97 economic recovery "nontraditional," because the economic sectors that had previously lost the most jobs to recession (aerospace, construction and retail trade) were not significant contributors to the recent job and income gains. Rather, the recovery was led by four growth sectors -- foreign trade, high technology, tourism & entertainment, and professional services. Levy notes that "California reached a record high of 20.9% of U.S. high tech jobs in 1997," up two full points from just two years before.

The CCSCE report notes that the Silicon Valley, which attracted a record $1 billion in venture capital in the 2nd and 3rd quarters of 1997, saw sales by its 150 leading companies reach $170 billion in 1996, up 80% from $95 billion in 1993. Technology was a strength in other regions, including Southern California (Orange County particularly), Sacramento and San Diego.

In five years, California's share of U.S. motion picture starts rose from 50% to nearly 70%, nearing a total of 600 in 1996, and California added roughly 60,000 jobs in the industry in the past two years alone. The $60,000 average salary for motion picture industry jobs is nearly twice the average for all industries.

The report notes that, "Foreign trade expansion was a major contributor to the recovery until mid 1997 when exports to Asia stopped growing," and adds that high tech exports led recent surges. Computer services, a component of the professional services industry area, was the state's fastest growing sector in 1995, 1996 and 1997. The CCSCE report estimates that the state is gaining more than 2,000 jobs per month in the sector, where the average wage exceeds $60,000 per year.

The report also focuses on several challenges facing the state's economy. First, wages have not grown for low and middle income workers -- and many former welfare recipients will soon join their ranks -- but many of these workers do not have the skills and technical training desired in most high-growth industries. The report suggests that a universal workforce preparedness strategy is needed. Second, there is growing tension in California between economic growth, land use policies and quality of life. Factors suggested as part of the solution include efficient land use, fiscal reform, public investment and equity considerations. Finally, the report proposes the need for a long term economic strategy for California.

For more information, contact the Center at 650-321-8550.

LOFGREN & BOXER HELP LAUNCH NEW PRIVACY COALITION TO FIGHT ENCRYPTION RESTRICTIONS

Rep. Zoe Lofgren (San Jose) and Sen. Barbara Boxer joined other members of Congress yesterday in lauding the formation of a coalition, the Americans for Computer Privacy (ACP), to fight against restrictions on the use of encryption technology in electronic commerce. ACP will focus its efforts on educating the American people on the need for encryption technology to protect privacy rights and civil liberties. It so far has raised $5 million to finance its efforts. The broad-based group is comprised of companies and associations representing financial services, manufacturing, health care, high technology, and transportation.

Encryption technology scrambles communications and data as they are sent out digitally in order to protect them from being tapped into by unauthorized sources. With the wider use of the Internet and computers for commercial transactions and information exchange, the demand is growing exponentially for stronger, harder-to-break, encryption technology. The U.S. government severely restricts the export of strong encryption products and software, and recently, the FBI and other law enforcement agencies have argued that domestic use of encryption should also be restricted. Rep. Lofgren has pointed out that the U. S. policy makes all Americans more vulnerable to illicit and surreptitious access to computer files, phone conversations, and personal information.

Also yesterday, Sens. John McCain (AZ) and Bob Kerrey (NE) announced that they were modifying their bill, S. 909 dealing with the export of encryption. Primarily, the changes expand industry representation from four seats to eight seats on the Advisory Board created by the bill to rule on the level of encryption that can be exported based on the availability and anticipated availability of similar levels of encryption from foreign sources. The Senators hope to bring their bill to the Senate floor for a vote in May. However, the new modifications are not expected to garner significantly more support from the high technology community for the bill.

FINANCING OF ALAMEDA CORRIDOR, BART-SFO EXAMINED BY GAO REPORT

Recently, the General Accounting Office (GAO) released a report titled "Surface Infrastructure: Costs, Financing, and Schedules for Large-Dollar Transportation Projects" (RCED 98-64). Prepared for Rep. Frank Wolf (VA), Chair of the House Transportation and Infrastructure Subcommittee on Transportation and Related Agencies, the report assessed eight large transportation projects currently receiving federal funds, including the Alameda Corridor and the SFO-BART extension.

Notably, the GAO report cautioned that financing of the Alameda Corridor project, funded through a combination of state, local, and federal resources, could be jeopardized by an IRS decision last year that limits the use of tax-exempt bonds by the Alameda Corridor Transportation Authority (ACTA), potentially escalating contracting and construction costs, as well as exacerbating the troubled financial state of one of the Corridors primary financiers, the Metropolitan Transportation Authority (MTA). ACTA gave a briefing on Capitol Hill last week (see, Bulletin Vol. 5, No. 7 (2/26/98)) <http://www.calinst.org/bulletins/bull507w.htm#alameda> and said despite the MTA's recent money troubles, the ACTA had every confidence that the MTA would honor their legal commitment to fund the project. To date, the MTA has paid about 37%, or $130 million of the $348 million of its share. The MTA told the Los Angeles Times this week that the funding is secure despite other demands on the agency's resources.

For a copy of the large GAO report, access GAO's web page and use Adobe Acrobat to read <http://www.gao.gov/new.items/rc98064.pdf>, or call the GAO's publications office at 202/512-6000.

BOXER INTRODUCES SALTON SEA BILL IN SENATE

Sen. Barbara Boxer on Thursday introduced a Senate companion bill to the "Sonny Bono Memorial Salton Sea Restoration Act," introduced in the House last week (see, Bulletin Vol. 5, No. 7 (2/26/98)). Boxer's bill requires the Department of the Interior to review all options for restoring the sea, and then recommend one preferred option at the end of one year. Secondly, the bill gives up to an additional six months, if necessary, for environmental compliance review and public hearings as required by law. Finally, it also triggers an automatic authorization of $300 million as is also called for in the House bill.

STUDY FINDS SAFE HARBOR PROVISION FOSTERS GREATER INFORMATION

A study recently released by Stanford University has concluded that the safe harbor provisions contained in the 1995 Securities

Litigation Reform Act have promoted the release of more financial forecasts by companies. The safe harbor provisions in the law protect companies from frivolous lawsuits based on forward-looking financial forecasts that do not pan out in the future. The study not only found that the new law has encouraged managers to make more frequent forecasts, but also that the quality of the information released has not become more optimistically biased because of the law's protections.

A copy of the study can be obtained by contacting Barbara Buell at Stanford at 650-732-3157 or at bbuell@leland.stanford.edu.

INTELLECTUAL PROPERTY GROUP RELEASES INFORMATION ON PIRACY COSTS

The International Intellectual Property Alliance (IIPA) recently estimated that U.S. copyright-holding industries lose about $10.8 billion annually because of piracy of music, books, movies, and computer software. To combat this growing problem, IIPA recommended that the U.S. Trade Representative, Charlene Barshefsky, should add Bulgaria and Greece to the Priority Foreign Country list, subjecting them to greater pressure from the U.S. Bulgaria has become the largest exporter of pirate CD products in Europe, with Paraguay holding that ignominious title for Latin America, according to the group. Noting that U.S. pressure has led China to clamp down on piracy, IIPA is calling on the Administration to apply the same pressure to these countries where piracy is booming.

The group is also calling on the U.S. to add nineteen countries to the list of five that are now on the Priority Watch List, which triggers greater scrutiny by U.S. authorities. The current Watch List countries are: Argentina, Ecuador, Indonesia, the Russian Federation, and Turkey. The recommended additions are: Australia, Colombia, the Dominican Republic, Estonia, Guatemala, Israel, Italy, Jordan, Kuwait, Macao, Mexico, Peru, Singapore, and Vietnam.

STANFORD NOBEL LAUREATE URGES INCREASED FEDERAL RESEARCH FUNDING

In Washington D.C. last week, Stanford University Physics Professor Burton Richter joined Pennsylvania Governor Richard Thornburgh, Ford Motor Company Vice President for Technical Affairs John McTeague, and New Mexico Senator Jeff Bingaman at a Senate forum emphasizing the need for increased levels of civilian R&D funding. The forum, entitled "Research as an Investment," was held by the sponsors of S. 1305 (Gramm and Lieberman) - a bill that would double the level of federal R&D funding over the next ten years. During the forum, Dr. Richter cited a recent Brookings Institution and American Enterprise Institute study showing the positive economic returns of long-term federal R&D. The study showed that 30-50% of economic growth in U.S. society comes from the introduction of new technologies and that economic returns on research investment amount to 40-50% a year.

In an effort to quantify the value of science and research, Dr. Richter pointed out that today's biotechnology industry is based largely on recombinant DNA techniques developed via research in the 1970s, that the explosive growth of the Internet is the result of four decades of intense research, that the global positioning system (GPS) industry is based on ultra precise atomic clocks developed for research nearly 50 years ago, and that research work has revolutionized the telecommunications industry several times over. He also noted that science in one area is often coupled with advances in other areas -- such as magnetic resonance imaging which requires the marriage of health care experts, chemists, mathematicians, and physicists. Likewise, radiation treatment of cancer resulted from nuclear and particle physics research.

Dr. Richter noted that 73% of the background support for patent applications in the U.S. comes from publicly-funded research. He concluded that because the high tech industry accounts for its larger share of GDP today than yesterday, it should also account for a larger share of federal funding.

USGS REGIONAL OFFICE TO REMAIN IN MENLO PARK FOR 10 MORE YEARS

Rep. Anna Eshoo (Atherton) and Interior Secretary Bruce Babbitt announced this week that the U.S. Geological Survey's regional center in Menlo Park will stay put for at least the next decade. An internal panel of USGS has since August considered moving the office elsewhere within nine western states, but the service instead will consolidate offices into eight buildings rather than the current twelve. Previous workforce reductions (from 1,200 to 800) will permit such consolidation, which will save millions per year in rent. Scientists and others had protested the proposed move for various reasons, including the strong reputation the Menlo Park site has developed with expertise from Stanford, U.C. Berkeley and U.C. Santa Cruz. In addition to studying earth movement and natural disasters, USGS scientists in Menlo Park are also responsible for researching the geology, seismology, hydrology and volcanology in nine Western states.

FIRST-EVER CALIFORNIA BIOMEDICAL RESOURCE DIRECTORY AVAILABLE

California's burgeoning biomedical industry has been comprehensively profiled for the first time by the San Diego-based California Healthcare Institute in the California Biomedical Resource Directory. The Directory contains detailed information on over 2,000 California companies, institutions, and universities involved in researching, developing or manufacturing biotechnology products, pharmaceuticals, medical devices and diagnostics. For more information or to purchase a directory, contact CHI at (619) 551-6677.

Tim Ransdell, California Institute for Federal Policy Research
419 New Jersey Ave., SE, Basement Level, Washington, DC 20003
Voice: 202-546-3700 -- Fax: 202-546-2390 -- Cell: 202-288-6598
-- CA Cell: 415-310-1989 -- Website: <http://www.calinst.org>

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@umich.edu> (Tom Butts <tombutts@umich.edu> [UNKNOWN])

CREATION DATE/TIME: 5-MAR-1998 22:11:52.00

SUBJECT: Impact of the Administration Student Loan Interest Rate Proposal On Small Banks

TO: pdls@umich.edu (pdls@umich.edu [UNKNOWN])
READ:UNKNOWN

TO: dirloan2@lists.uoregon.edu (dirloan2@lists.uoregon.edu [UNKNOWN])
READ:UNKNOWN

TEXT:
March 4, 1998

Impact of the Administration Student Loan Interest Rate Proposal On Small Banks

Some lenders under the Federal Family Education Loan Program (FFELP) initially claimed that the scheduled change in interest rates would destroy their profitability by mismatching a long-term student rate with their own short-term funding vehicles. The Administration has addressed this concern by proposing a return to 91-day Treasury bills or some more efficient short-term rate for student interest payments, while ensuring that students still receive the benefit of the scheduled reduction in rates. Some lenders now say that small banks will desert FFELP en masse if that reduction is made, but there is no factual basis for such a statement. Most small banks participating in FFELP essentially act as brokers for the secondary market so a student rate that maintains a sufficient level of profitability for the secondary markets will enable small banks to continue to participate in the program -- unless the secondary markets decide for other reasons to eliminate them.

Most small banks still participating in FFELP essentially act as brokers for secondary markets. The 25 largest bank originators account for about 55 percent of new loan volume. The 50 top loan originators account for almost 75 percent of total volume. Well over the bottom half of the current bank lenders account for only one-half of one percent of total volume, and they sell their loans as fast as they originate them. They act primarily as sources of product for the secondary markets. In this capacity the originating banks often (1) receive from the secondary markets the capital and servicing capacity to maintain the loans as record owners for short periods of time after originating them, (2) are guaranteed a net interest spread while the loans are in their names and (3) then transfer the loans to the secondary markets, usually at a premium guaranteed in advance. Such banks are in the business to earn fees for their services, not to earn a rate of return on capital. Their profitability is determined by their overall arrangements with the secondary markets, not just by the interest rates on the loans.

Small banks have been leaving FFELP for many years. Since the middle 1980s, the number of FFELP lenders has declined from over 11,000 to under 5,000. The vast majority of the lenders leaving the program have been the small ones, including most small banks that actually held loans through repayment. The decline in their number has been the result of a variety of causes: particularly, general consolidation in the financial services industry, transfer of one-third of loan volume to Direct Loans and the very small size of most banks' participation in FFELP. In 1996, for example, the average total loan originations of the smallest 10 percent of bank lenders was only $59,000.

The Administration's proposal will not significantly accelerate the departure of small banks. The role of small banks as marketing arms for secondary markets is dependent on the continued profitability of the secondary markets. Since secondary markets have competitive advantages over banks, such as the some $15 billion in tax-exempt funding for those other than Sallie Mae, there is no reason that an interest rate sufficient for large banks would not be sufficient for them also. Indeed, Sallie Mae has traditionally had the highest rate of return among lenders.

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@UMICH.EDU> (Tom Butts <tombutts@UMICH.EDU> [UNKNOWN])

CREATION DATE/TIME:11-MAR-1998 16:21:43.00

SUBJECT: CBO on interest rates

TO: CGA-NEWS@UMDD.UMD.EDU (CGA-NEWS@UMDD.UMD.EDU [UNKNOWN])
READ:UNKNOWN

TEXT:
3/11/98
Today's CongressDaily:

"Meanwhile, the CBO has concluded the Clinton administration's plan for changing the guaranteed student loan interest rate by July 1 is a viable proposal that would not drive banks from the system. Republicans, bankers and other lenders have said the administration's plan would cut interest rates too low, causing banks to leave the guaranteed student loan program. But a CBO official who briefed congressional and administration staff last week said of the adminstration plan, according to participants who took notes, "Overall, it's a sound report." Contacted by CongressDaily, the CBO official declined to confirm or deny comments he made at staff briefings about the interest rate.

"A provision in the 1993 budget deal would cut the interest rate banks can charge for new student loans on July 1, 1998 from the current rate of a 91-day Treasury bill plus 3.1 percent to a 10-year Treasury bill plus 1.0 percent. The adminstration proposed two weeks ago to change the rate to a 91-day T-bill plus 2.3 percent. That would incorporate a profit margin for banks of 0.15 [sic] to 0.8 percent, the administration argued. The CBO found, according to sources, that a profit margin in that range would keep banks in the system."

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Automatic digest processor <LISTSERV@LISTS.PSU.EDU> (Automatic digest processor <LISTSERV@LISTS.PSU.EDU> [UNKNOWN])

CREATION DATE/TIME:12-MAR-1998 23:17:52.00

SUBJECT: FINAID-L Digest - 11 Mar 1998 to 12 Mar 1998

TO: Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> (Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> [UNKNOWN])
READ:UNKNOWN

TEXT:
There are 35 messages totalling 1357 lines in this issue.

Topics of the day:

1. BLS BUDGETS
2. summary - courses not towards degree
3. 98-99 ISIR missing signatures (2)
4. Adjustments after Refund Period
5. FAFSA Redesign
6. Nellie Mae
7. EDExpress Quick Correct Problem
8. f/a director's position in West Tennessee
9. Exit loan info.
10. <No subject given> (2)
11. SOLVED: EDExpress Quick Correct Problem
12. Position Opening - Director of Financial Aid
13. RESPONSES-Aid for International Students
14. Work Study
15. COM1040
16. Common Myths about Financial Aid--Part 5 (medium size)
17. POSITION ANNOUNCEMENT
18. Document Imaging
19. resouce center-summary
20. H-1B visa for verification of citizenship status?
21. Summer Enrollment Summary
22. additional allocation of FWS
23. Processing problems
24. Change in Parents Marital Status
25. test
26. THANK YOU!!
27. Keyword Parameter question..........................
28. SS Benefits
29. High School student
30. Summary-BBAY Guidance Sought
31. Taxpayer Relief Act Request
32. Return of Funds to Lender
33. Bipartisan Compromise on Interest Rates

This message | Submissions mailto:FINAID-L@lists.psu.edu
was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
mailing list | backup (Pete Weiss)
mailto:FINAID-L-REQUEST@lists.psu.edu
--------------| more info
mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L

Date: Thu, 12 Mar 1998 07:51:58 -0500
From: "Spina, Matt" <matt.spina@PTSEM.EDU>
Subject: BLS BUDGETS

David,

I believe that Kathy Payea from CSS is intending to post the updated version of these to the CSS website. They may already be there however since I know it was her intention to post them soon.
I just wanted to express my gratitude publicly to Kathy for her work in this regard. She is aware that some of us are using these figures as a basis for creating our federal aid budgets.

Many Thanks Kathy!!!

Matt

Date: Thu, 12 Mar 1998 08:47:35 -0500
From: Marcia Gillis <m_gillis@TEC.NH.US>
Subject: Re: summary - courses not towards degree

Sorry, the responses are not unanimous. If the requirement for eligibility is that a student must be enrolled in an eligible program, the logical extension to that requirement is that the courses the student takes must apply to that eligible program.

Marcia Gillis
NHCTC/Manchester

On Tue, 3 Mar 1998, Evelyn Levino wrote:

> The responses are all unanimous. It is only the program that really
> counts. The student could take courses outside of the required
> program. Some institutions have a policy not to allow these courses for
> FA purposes, but most do not.
>
> THANKS for the great responses.
>
> Evelyn Levino
> levinoe@franklin.edu
>
> ---

> This message | Submissions mailto:FINAID-L@lists.psu.edu
> was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
> the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
> mailing list | backup (Pete Weiss)
mailto:FINAID-L-REQUEST@lists.psu.edu
> -------------| more info
mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L
>

Date: Thu, 12 Mar 1998 08:52:55 -0800
From: Maria Schoenbaum <schoenbm@ALPENA.CC.MI.US>
Subject: 98-99 ISIR missing signatures

Help! I am having problems correcting signatures in 98-99 EDE.

I have a dependent student who applied using FAFSA Express and did not send in the certification page. When I printed his ISIR, I also printed the certification page. I mailed this to the student and he returned it with the necessary signatures.

I opened the students ISIR record in EDE, made sure the signature question had a "B" for both student and parent signature. I made sure the record was "R" for ready to transmit. Closed/saved the file. Recieved a screen saying enter "1" parent(s) that signed. Entered "1" for mother since she signed certification.

Everything seemed fine to this point. I then try to export the correction and I get the message "no record selected". I re-opened the student record and tryed again and still got the same message.

How do I make the correction? Can I do this electronicallly or does it have to be mailed in?

Thanks for any help
Maria Schoenbaum
--
Maria Schoenbaum Alpena Community College
Financial Aid Technician Alpena, MI
Phone (517) 356-9021 E-mail: schoenbm@alpena.cc.mi.us

Date: Thu, 12 Mar 1998 08:58:41 -0500
From: "Michel, Donna" <dmmichel@CCC-S.CEDARCREST.EDU>
Subject: Adjustments after Refund Period

Can anyone tell me if you have a policy or know of regulations regarding adjusting Title IV aid if a school reduces charges after the 60% point of the semester is past? This would be a reduction of charges based on special ciricumstances in the student's family (i.e. death in the family). If the charges are reduced, do you do a federal refund calculation to determine what aid must be refunded to the programs? The

particular student I must deal with received Pell, state grant, and a
loan for which we already gave a refund.

Donna M. Michel
Director of Financial Aid
Cedar Crest College
dmmichel@cedarcrest.edu
Phone: 610-740-3785
Fax: 610-606-4653

Date: Thu, 12 Mar 1998 09:10:32 -0500
From: Mark Kantrowitz <mkant@FINAID.ORG>
Subject: FAFSA Redesign

The proposed redesign for the 1999-2000 FAFSA has been sent to the Office of Management and Budget for their review and final approval under the Paperwork Reduction Act. I believe that the new design represents a significant improvement over the old design.

If you are interested in offering comments on the new design, you can obtain a copy from Patrick Sherrill, Paperwork Clearance Official at the US Department of Education, 1-202-708-8196 or PAT_SHERRILL@ED.GOV.

The deadline for offering comments to the OMB is March 26, 1998.

Mark

Mark Kantrowitz, Publisher FinAid Page, Inc.
The Financial Aid Information Page PO Box 81620, Pittsburgh, PA 15217
http://www.finaid.org 1-412-422-6189 (fax)
mailto:mkant@finaid.org 1-412-422-6190 (voice)

Date: Thu, 12 Mar 1998 09:14:35 -1300
From: Linda Cimmino <lcimmino@MERRIMACK.EDU>
Subject: Nellie Mae

Greetings, hope I can receive a response to the following:

Received notification from Nellie Mae that is a student pays his/her loan on time through the EDvantage program they will pay the last six payments...

Is this grandfathered???? If not, why not???

My former student called Nellie Mae and explained that if current students in repayment are making their payments on time why is it they cannot receive

some kind of "award" like they are proposing now and she felt is was an
"unfair" practice....she did not receive a response except that "this is
the
way it is"

Also, is there a program that allows spouses to consolidate their loans
into one????

TIA, Linda Cimmino
Merrimack College
lcimmino@merrimack.edu

Date: Thu, 12 Mar 1998 09:27:00 -0500
From: "Brown, H. Scott" <hbrown@IRM2.FMARION.EDU>
Subject: EDExpress Quick Correct Problem

This year we have been adding our school to the applicant's list of schools on the ISIR just like we did last year; through the Quick Correction process. Has there been a change to this process or is there a problem in the software for 98-99 that we are not aware of for this process? We are not receiving the corrections from the processor. They remain on EDExpress with a Correction Already Exists message.

Scott Brown
Francis Marion University
hbrown@fmarion.edu

Date: Thu, 12 Mar 1998 09:34:38 +0000
From: Gregory Thornburg <gthornburg@JSCC.CC.TN.US>
Subject: f/a director's position in West Tennessee

Good morning.

My vice president asked me to post this job announcement to the list. I have accepted the director of financial aid position at Arkansas State University. Have a great day. Greg Thornburg

Director of Financial Aid Services
Jackson State Community College

Duties: Coordinate Title IV, State, and campus-based student aid; ensure compliance with federal and state regulations; provide general supervision for financial aid staff; serve in an advisory capacity for five technology centers; and other financial aid related duties.

Qualifications: Master's degree; at least three years experience as a director, associate director, or assistant director in the student financial aid area of an institution with approximately 3600 students enrolled; the ability to work effectively with students from diverse social, economic, ethnic and age groups; and an understanding and commitment to the community college philosophy.

Skills: Computer data processing skills; excellent interpersonal skills.

Salary: Dependent upon qualifications and experience.

Start Date: April, 1998. Review of applications will begin immediately and continue until position is filled.

To apply: Submit official Jackson State Community College application, resume, and letter of interest to:

Director of Human Resources
Jackson State Community College
2046 North Parkway
Jackson TN 38301

Phone: 901-425-2621
Fax: 901-425-2647
Internet address: dveatch@jscc.cc.tn.us

AA/EOE

Internet Address: gthornburg@jscc.cc.tn.us
Gregory Thornburg
Director of Financial Aid
Jackson State Community College
2046 North Parkway
Jackson, TN 38301
Phone: 901-425-2624

Date: Thu, 12 Mar 1998 09:05:01 -0600
From: Allison Knott <Allison.Knott@MARQUETTE.EDU>
Subject: Exit loan info.

Dear fellow FINAID-Lers,

I am hoping you can help me out....I am looking for some additional information for our exit loan counseling sessions. What I am hoping to find is information on determining how managable a student's loan payments will be based on their income. I have located a chart but am unable to print it off the internet, if any of you a) know of any information that would help me calculate these numbers or b) know how I would go about printing a chart that is on the internet please let me know!! Thanks so much for your help.

P.S. If you have any other exit information that you use that you feel is helpful I'd love to hear it!!

Thanks,
Allison A. Knott
Financial Aid Counselor
Marquette University

Allison A. Knott
Financial Aid Counselor
Marquette University

Date: Thu, 12 Mar 1998 10:12:10 -0500
From: "PA School of Art & Design, Judy leedy" <judy@PSAD.ORG>
Subject: <No subject given>

What causes COM1040 to appear as tax form used on ISIR. Questions 51 and 63 on FAFSA do not list a 1040COM as a choice, however if that is the designation on the ISIR and asset information was not included, no EFC is given and application is incomplete. The majority of my ISIRS are coming in that way, in spite of the fact, that I advise all my students and parents to complete asset information for purposes of being possibly eligible for a PA State Grant.

Date: Thu, 12 Mar 1998 11:04:00 -0500
From: "Brown, H. Scott" <hbrown@IRM2.FMARION.EDU>
Subject: SOLVED: EDExpress Quick Correct Problem

My apologies. It seems that the reason we didn't have corrections is that we only sent them this past Tuesday! I should have checked my own backyard more carefully first. Thanks to Sandy at NCS for calling so promptly and setting us straight.

Scott Brown
Francis Marion University

Date: Thu, 12 Mar 1998 11:05:22 -0400
From: Denese Walters-Adams <ADAMS_D@CSTCC.CC.TN.US>
Subject: Position Opening - Director of Financial Aid

Chattanooga State Technical Community College is currently seeking a Director of Financial Aid. I have been asked to post the job to the list.

Director of Financial Aid

Pupose of Position: Provide administrative leadership for a comprehensive financial aid program providing federal, state and institutional financial assistance to students.

Reporting Line/Supervisory Responsibilities: The position reports to the Vice-President of Student Affairs. The position has supervisory responsibilities for all Financial Aid Department Staff.

Primary Duties
Direct and administer all functions of the Financial Aid Department; formulate policies and procedures for awarding, monitoring, and reporting all types of financial aid; develop goal and objectives; establish and implement competent measurements for reviewing programs to determine program\
effectiveness.

Monitor compliance with program guidelines; maintain and implement current financial aid policies and procedures; notify campus constituents and applicants of program changes

Direct department budget; prioritize and authorize expenditures

Supervise, evaluate, and provide professional development and current training
for exempt and non-exempt personnel; execute various personnel actions

Work closely with other campus departments and external agencies in order to
provide quality service to students; participate in leadership capacity by serving/leading College committees, task forces, workshops

Perform other job-related duties as assigned

Minimum Qualifications
Education/Experience: Masters Degree with at least four years experience as
a senior aid officer with diverse management responsibilities involving federal
loan programs and electronic transfer of funds and with reporting responsibilities to senior institutional leadership and the federal government
(Prefer Masters Degree in Student Personnel Services or Business Administration)

Knowledge/ Skills/Abilities:
Knowledge of current financial aid programs, policies, procedures and auditing guidelines; accounting, reporting, and management; Office of Education Electronic Pell processing systems (Title IV WAN); student information management systems (prefer SIS Plus or Banner)

Skills in effective verbal and written communication; interpersonal skills consistent with establishing and maintaining effective working relationships
with faculty and staff of college and other educational institutions, federal
agencies, and students; computer usage including personal computers and mainframe student information systems

Ability to interpret federal, state and college policies, procedures and guidelines and implement changes smoothly and promptly; to organize and managedetailed procedures accurately and efficiently; to understand and utilize appropriate computer software; to analyze, problem solve and make appropriate
decisions

Salary: $40,860 plus retirement, leave, insurance, educational assistance, employee assistance program, tax-deffered annuity, and flexible benefits \
plans

Submit completed college application, unoffical transcripts and cover letter
summarizing work history. Complete application packets will be accepted through APRIL 3, 1998. Packets recieved afterward may be considered until the
position is filled. You may call (423) 697-4490 to receive a College application. Resumes may not be used to replace information on the application.
Faxed materials will not be accepted.

Date: Thu, 12 Mar 1998 11:37:02 -0500
From: Kathleen Mcnamee <MCNAMEE@ADMIN.XU.EDU>
Subject: RESPONSES-Aid for International Students

I received many replys to my posting asking for information about a group called Aid for International Development. All but two of the replys were asking me to share information I received with the list.

One finaid-l reply referred me to the Agency for International Development, which was the group I had found during my initial search of the web. When I
contacted this group I was told they do NOT give aid to individual students.
They had sent me a letter which said "It has come to our attention that a number of internationally distributed publications are erroneously listing USAID as a source of individual scholarship assistance. Although our Agency
administers the U.S. foreign economic and humanitarian assistance programs for
the U.S. government, we do not make financial grants directly to individuals."

The letter from the Agency for International Development went on to refer me to
the Association of International Educators which publishes a list of sources of
financial assistance for international students. If you would like to pay $115 plus shipping and handling for their publication, you can contact them at
(800) 836-4994.

The second reply from finaid-l referred me to the International Education Finance Corporation which administers the ISLP alternative loan (ISLP=I nternational Students Enrolled at US Schools). They can be contacted by email
at iefc@aol.com, by phone at (617) 696-7840, and they have
a web site at www.iefc.com.

Thanks to everyone for your help. If I ever find any information about a group called Aid for International Development, I'll let you know.

xuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxu

Kathleen McNamee mcnamee@admin.xu.edu
Xavier University (513) 745-2992
3800 Victory Parkway FAX 745-2806
Cincinnati, OH 45207-5411

xuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxuxu

Date: Thu, 12 Mar 1998 10:41:32 -0600
From: Cheryl Morris <morton@CHEROKEE.NSUOK.EDU>
Subject: Work Study

I was approached by the head of our campus security with a question I couldn't answer. Please help. He would like to train and implement student workers as Reserve Officers, this includes carrying (and potentially using a gun) and all the other dangers associated with that position. It seems in the back of my mind there is something that prohibits students from participating in this type of employment. Can anyone tell me if this is true? Is it just work study? Is there something I should know if he wants to use Institutional Student Workers (Non work study)?

Anyway, I'm not sure I like the idea of students carrying guns anyway.

Thanks,

Cheryl Morris, Assistant Director
Northeastern State University

Date: Thu, 12 Mar 1998 10:45:10 -0600
From: Stephen Ray Olsen <SROLSEN@ADM1.BYU.EDU>
Subject: Re: COM1040

Steve Olsen to Judy,

"COM1040" means "completed Form 1040."

If the type of tax form is not indicated on the FAFSA, the central processor will assume that a Form 1040 was completed. If the student or parent actually filed a Form 1040A or Form 1040EZ, or if either one <could have> filed a Form 1040A or Form 1040EZ, then asset information is not required.

Steve Olsen
steve_olsen@byu.edu
Financial Aid Office
Brigham Young University
Provo, Utah

Date: Thu, 12 Mar 1998 11:15:41 -0600
From: Stephen Ray Olsen <SROLSEN@ADM1.BYU.EDU>
Subject: Common Myths about Financial Aid--Part 5 (medium size)

Steve Olsen to Finaid-L,

Common Myths--Part 5 (Especially dedicated to those who are "digest impaired," "digest enabled," "list enabled," "list impaired," or who just have a lot of work to do.)

One of the most common ones we get is parents and students alike thinking that the students can borrow as much as they need to pay for school! When they hear that there are loan limits, they panic!

Here are a few that I hear often:
"I don't have access to that trust fund, so it isn't really an asset."

"I don't have to pay rent, but other than that, I pay for everything else and I'm totally independent of my parents."

"It's not taxable income, so we don't have to count it, right?"

I am really surprised that this one didn't show up--I must hear it several times a year:
"How can I support my wife and kids on that amount of money?"

"My wife is quitting her job and staying home with the kids so we can get more loans."

"How much more loan money will we get when we have our baby?"

"Students from families with a lot of debt get more aid."

"My roommate got a Pell grant, so what do I have to do to get one?" (From a student with a six-figure income.)

"We don't claim our child on our taxes, so s/he should get more money."

"How can a federal loan be reduced because of a private scholarship?"

"Why should my child's unsatisfactory academic progress
keep me from getting a PLUS?"

"My parents are actually going to pay my Stafford loan, so
I shouldn't have to attend entrance/exit counseling" (or
know who my FFELP lender is, how much I've borrowed, etc.)

We actually had a guy show up at our office wanting a loan to buy a
truck. He wasn't even enrolled and wasn't planning to!

And when my niece was ready to enter college, my sister-in-law
insisted that if she and my brother bought a little house for her to
live in, she'd be independent because she wasn't living at home!

Another one that irks me when I hear it is that "Only
minorities, single parents, or people on welfare receive aid."

"A student has to be very poor to get grants or very bright to get
scholarships and since I am neither, I can't get any help."

"Congress (federal or state) has cut back on (funding)(financial
aid) so there is really not much help out there."

"You have to attend a college or university to get financial aid."

"I want to go to a trade school so I won't be able to get financial
aid."

"My parents make too much money for me to get financial aid."

"I want/got/get a `Stanford' loan."

"If I don't accept my original financial aid offer, they will offer
me a better package if they really want me to come to school there."
(Spoken by a "no need" student.)

Steve Olsen
steve_olsen@byu.edu

Date: Thu, 12 Mar 1998 13:17:31 -0500
From: "Wayne Dennison (SSES)" <wdenniso@KSUMAIL.KENNESAW.EDU>
Subject: POSITION ANNOUNCEMENT

Kennesaw State Univesity, a progressive metropolitan university in the
University System of Georgia, is located on an attractive campus in
northwest Metropolitan Atlanta. Kennesaw State University enrolls over
13,000 traditional and nontraditional baccalaureate and master's students
and invites applications for the following position:

POSITION TITLE:

Assistant Director of Student Financial Aid

POSITION RESPONSIBILITIES:

This Assistant Director position will be responsible for all financial aid computerized systems, for federal, state, and institutional financial aid funds awarded to eligible students; and for daily supervision of certain office staff, including training of these support personnel. Computer systems/software used include EDExpress, EDConnect for Windows, SCT Banner Student Information System, and EPOS Voice-Response system. This position has the responsibility for the maintenance, support, and enhancement of the financial aid office web site.

MINIMUM REQUIREMENTS:

Applicants must have a bachelor's degree (master's degree preferred); five (5) years of current related financial aid work experience, preferably in a mid to senior level management capacity; extensive work experience in the development and maintenance of automated financial aid software systems, including web page design and maintenance; and strong organizatinal, analytical, and communication skills. Knowledge of current statues and regulations governing federal and state financial aid required. Experience in an enrollment management environment desirable.

SALARY:

Competitive, commensurate with credentials and experience.

APPLICATION DEADLINE:

April 10, 1998

APPLICATION PROCEDURE:

Submit cover letter, resume, and names, addresses and telephoe numbers of three (3) references to:

> Department of Personnel Services
> Kennesaw State University
> ATTN: Assistant Director - Student Financial Aid
> 1000 Chastain Rd
> Kennesaw, GA 30144-5591

POLICY STATEMENT:

Kennesaw State University, a member of the University Sytem of Georgia, does not discriminate on the basis of race, religion, color, sex, age,

national origin or disability in employment or the provision of services.
AA/EOE. Georgia is an Open Records State.

T. Wayne Dennison
Director of Banner Student Information System Project

Kennesaw State University
1000 Chastain Road   Phone: (770) 499-3151
Kennesaw, GA 30144-5591   Fax: (770) 423-6708

Date: Thu, 12 Mar 1998 13:25:12 -0500
From: "Wayne Dennison (SSES)" <wdenniso@KSUMAIL.KENNESAW.EDU>
Subject: Document Imaging

Kennesaw State University is in the process of reviewing information for a comprehensive document imaging system. I would be interested in hearing from those of you who have been involved with this from the Financial Aid side. Currently, we are attempting to put together an Request for Information (RFI) which hopefully will lead to an RFP once we determine exactly what we need. I would appreciate any input, including sample requests, that any of you might provide.

Thanks.

T. Wayne Dennison
Director of Banner Student Information System Project

Kennesaw State University
1000 Chastain Road   Phone: (770) 499-3151
Kennesaw, GA 30144-5591   Fax: (770) 423-6708

Date: Thu, 12 Mar 1998 13:22:14 EST
From: Julie Berg-Mattson 803-574-6108 <ZPMATTSON@A1.TRIDENT.TEC.SC.US>
Subject: resouce center-summary

Sorry for the delay, following are responses I received from my question concerning schools operating a Financial Aid Resource Center for students

I proposed a resource center here at XXX many years ago, back before we had internet capability and FAFSA was on the web, but it never got off the ground because of funding and space. If you are successful writing this grant, would you let me know to whom you submitted the

application, because I would love to know where to get the money to
do something similar.

I am also working this issue. If you get any good information
I would appreciate a copy.

I read your E-mail from Finaid. Please share what you recieve about this
as I am working at my school to do the same thing. I feel it will be
vary positive tool for our students. Thanks for your help

We are very interested in that also.... Please share your responses with
the
group.... As far as a source, I believe UNC-Chapel Hill has one...

are you going to be summarizing responses to the list? I'd be
interested in that info, too.

Sounds great and I'd like to be there some day. But we're far from that
now.
Please post your replies to list or to me. Thanks!

Please share the information you get. We're also
interested in doing something similar.

If you don't mind sharing any ideas, and or responses that you
receive, I would sure appreciate it. How many staff do you currently have
in
your office at this time, and are you looking at doing this as a means of
reducing the workload for primary staff to allow for a more productive
system?

I'd love to see the responses you get as well.

We do not have one, but am looking as you are. Would appreciate any
information
you receive.

.

I just opened a small computer lab with 6 PC's and a systems
printer. In an adjioning room I have a 45 seat classroom with a TV/VCR
on a stand, a whiteboard a desk , chair and a PC linked into our
mainframe and the internet. This space is dedicated to entrance/exit
interviews, financial aid seminars, and other uses as needed.

We opened the space 2 weeks ago and every student that has used it
loves it . We intend a big campaign to get things moving and plan to
have 2 part time grad students operate the center 5 days a week
from 9:00 to 5:00 each day.

We have a resource center in place for our students. At present, it is a
room within the FAO with two computers and hard copy books. We also

have a variety of other written materials for student use. Students can apply through FAFSA on the WEB, do scholarship searches, on-line entrance interviews and financial counseling. I have just written a grant proposal for a 3rd PC as the demand for use has been so high. Students love it! Parents also come in with students to use it.

Date: Thu, 12 Mar 1998 13:01:37 -0600
From: Karyn GRAHAM <karyn.graham@CCMAIL.ADP.WISC.EDU>
Subject: H-1B visa for verification of citizenship status?

Does anyone out there have any clear resolution for students=20
submitting H-1B visas for verification of citizenship status?

I can't find any info in the Regs to figure out what I need to do with =

this H-1B visa for this applicant. thanks in advance for your help!!

i took the following info off the Immigration Law Net=20
(http://www.usgreencard.com/)

"To qualify for an H-1B visa, you must have the following:=20

=B7a job offer from a U.S. employer =B7at least a Bachelor's degre=
e =20
(unless you are a fashion model) or substantial on-the-job =

experience =B7position offered must be considered as "professional=
"=20
=20
=B7Job offer must be for work to be performed in the U.S. =B7your =
=20
educational background and work experience must be related to the =

position that you have been offered =B7your prospective employer =
=20
must be offering a position that pays the "prevailing wage"=20

H-1Bs may initially be approved for a period of three years. You =
may apply for an extension for an additional three years. The =

total time allowed for an H-1B is six years."

Karyn Graham
Student Services Coordinator=20
Univ of Wisconsin Madison
Office of Student Financial Services
=

Date: Thu, 12 Mar 1998 13:07:10 +0000
From: Jan Carey-McDonald <janm@UNIVERSE.UIWTX.EDU>

Subject: Summer Enrollment Summary

Last week I put out a question regarding half-time enrollment in the summer. My main question was, could 3 hours in one summer session be considered half-time if we consider 6 hrs in one session full-time? I want to thank everyone who responded. It was obvious that this is an issue very open to interpretation! I received 19 responses, summarized below. Following that is what ED said.

--4 people agreed that 3 hours in one summer session could be considered half-time. --14 people disagreed (some strongly!) and said that 3 hours in one summer session was not HT. --Of those, 7 said that IF the student was registered in both sessions for a total of 6 hrs, they would disburse aid in the 2nd session.

Even though about 75% of the responses were Nay, I decided to run it by ED and this is what ED said: The school determines what constitutes FT/HT enrollment -- 3 hours can be HT in the summer if the school treats the summer term as a nonstandard term (defined on pg 4-11, FSAH) and defines FT as 6 hrs. Using the formula on pg 4-16 (FSAH) to calculate full-time in a nonstandard term we get:

$$\frac{\text{Hrs in Acad Yr} \times \text{Wks of instructional time in nonstandard term}}{\text{Wks of instructional time in Acad Yr}}$$

= at our school,
24 x 6 / 32 = 4.5 hrs FT (although we require 6 hrs for FT)

Then to determine HT:

$$\frac{\text{Credit Hrs taken in nonstandard term}}{\text{Credit Hrs required for FT in the nonstandard term}}$$

= at our school,

3 / 6 = .5 or 1/2

So by this definition, 3 hrs in a 6 week summer term is HT because we define 6 hrs as FT (using the formula above). The key seems to be a school's ability to treat summer minisessions either as combined or individual (we treat them individually). On page 4-40 (FSAH) it says "if the school does not combine minisessions into a single payment period, it must treat each minisession as a separate nonstandard term and calculate the payment for each using Formula 3". (Must use Formula 3 for all payments thereafter for that year).

It turns out that this question was not as straight forward as it first appeared. ED and I discussed all the responses I received, worked through all the formulas, and came to the conclusion that financial aid is a really interesting business!

Jan Carey-McDonald
Director of Financial Assistance
University of the Incarnate Word
San Antonio, TX 78209
(210) 829-6008 / email: janm@universe.uiwtx.edu

Date: Thu, 12 Mar 1998 14:17:17 -0500
From: "Faith M. Phillips" <fphillip@COTC.TEC.OH.US>
Subject: additional allocation of FWS

I have been reviewing the letter announcing the allocation of additional
FWS
for 98-99 to institutions where 50% of pell recipients have either
graduated
or transferred to 4 year institutions. It's easy enough for me to identify
my pell recipients and my graduates from 91/92, but I am wondering how
other
schools keep track of students who transferred to 4 year institutions,
especially as far back as 91/92.

Thanks
Faith Phillips

Faith M. Phillips
Director of Financial Aid
OSU-N & Central Ohio Technical College
1179 University Drive
Newark, Ohio 43055
(740) 366-9492
fphillip@cotc.tec.oh.us.

Date: Thu, 12 Mar 1998 08:16:18 -0800
From: Elaine Smith <SMIE@CHEMEK.CC.OR.US>
Subject: Processing problems

Let's hear it for the Department! How long have we been saying that we =
needed prompt notification of just the kind of things that apparently =
happened on the 9th and 10th? Lo and behold.... a clear and detailed =
message on the 11th. Thanks to all at DoE and NCS who have helped improve
=
the communication process.

Elaine Smith

Financial Aid Office
Chemeketa Community College
smie@chemek.cc.or.us
(503) 399-2513

Date: Thu, 12 Mar 1998 15:39:53 -0500
From: Steven Blank <rblank@CONNIX.COM>
Subject: Change in Parents Marital Status

Ok, here's a new one for me, but I'm sure somebody out there has dealt with this.

It's quite clear that if the student's marital status changes after filing the FAFSA, the status at time of original filing remains.

But what if it's the parent's marital status that has changed?

In the time since the dependent student's FAFSA was submitted (2/5/98) and now, the parents have separated.

Student is resubmitting SAR to add additional colleges and to correct income from now-completed tax forms (filed with estimated income).

Can/should the parents marital status also be revised on the resubmitted SAR?

If so, should the parent income responses also be changed to reflect only the custodial parents income information?

Student has been selected by federal CPS for verification (and will of course be listing one less household member when completing the verification worksheet). Does the fact that the student was selected for verification have any affect on the answer to my question?

Thanks,

Steven Blank

Date: Thu, 12 Mar 1998 15:46:44 -0500
From: Tori Sims <TSIMS@CSCC.EDU>
Subject: test

This is a test .

Date: Thu, 12 Mar 1998 15:18:05 -0600
From: Allison Knott <Allison.Knott@MARQUETTE.EDU>
Subject: THANK YOU!!

.
Thank you to all who responded to my request for exit loan information! I received quite a few responses and am looking forward to checking them out. I knew I could count on you!!

Thanks,
Allison A. Knott
Financial Aid Counselor
Marquette University

Allison A. Knott
Financial Aid Counselor
Marquette University

Date: Thu, 12 Mar 1998 16:27:20 -0800
From: Maria Schoenbaum <schoenbm@ALPENA.CC.MI.US>
Subject: Re: 98-99 ISIR missing signatures

Thank you Sandy at NCS for helping me find a solution to my problem. She suggested that I try to make the signature correction using quick correction. This seemed to do the trick. (It still wouldn't work trying to make the correction in the ISIR record). She also suggested I run repair, compact, verify of the database.

Maria Schoenbaum

Original message:
> Help! I am having problems correcting signatures in 98-99 EDE.
>
> I have a dependent student who applied using FAFSA Express and did not
> send in the certification page. When I printed his ISIR, I also printed
> the certification page. I mailed this to the student and he returned it
> with the necessary signatures.
>
> I opened the students ISIR record in EDE, made sure the signature
> question had a "B" for both student and parent signature. I made sure
> the record was "R" for ready to transmit. Closed/saved the file.
> Recieved a screen saying enter "1" parent(s) that signed. Entered "1"
> for mother since she signed certification.
>
> Everything seemed fine to this point. I then try to export the
> correction and I get the message "no record selected". I re-opened the
> student record and tryed again and still got the same message.
>
> How do I make the correction? Can I do this electronicallly or does it
> have to be mailed in?
>
> Thanks for any help
> Maria Schoenbaum

--
Maria Schoenbaum   Alpena Community College

Financial Aid Technician   Alpena, MI
Phone (517) 356-9021   E-mail: schoenbm@alpena.cc.mi.us

Date: Thu, 12 Mar 1998 16:28:58 -0500
From: "Ruth A. Brouse" <rbrouse@BUCKNELL.EDU>
Subject: <No subject given>

Please stop mail until March 23rd. I will be out of town.

I apologize if this is wrong, I can't remember how to unsubscribe for a
short period of time.

Thank you.

Ruth
****
Ruth A. Brouse
Financial Aid Counselor
Office of Financial Aid
Bucknell University
Lewisburg, PA 17837
Telephone: (717) 524-1331
FAX: (717) 524-1481
E-mail: rbrouse@bucknell.edu
PHEAA Address: CG00895
****

Date: Thu, 12 Mar 1998 15:51:59 -0600
From: Dale Hymes <A2DMH@TTUVM1.TTU.EDU>
Subject: Keyword Parameter question...........................

I want to create a couple of new keyword parameter values (AC55A) for a =
program I'm writing. What I need to know is how are the Parm Link =
(AC55B) values assigned? How are they used in ASPARM? Can I just pick =
any unused value between "A 4A0" and "A 440" or is there some scheme I =
need to follow? Any help you could provide would be greatly appreciated =

**=
****
||||||||| Dale M. Hymes
||| EXAS Project Leader -- TechSIS
|||||| PO Box 41095 Lubbock, TX 79409-1095
||| TECH (806) 742-2907 E-Mail: =
A2DMH@TTUVM1.TTU.EDU
**=
****

Date: Thu, 12 Mar 1998 14:45:06 -0700

From: Johnathan Ortiz <jortiz@LVTI.CC.NM.US>
Subject: SS Benefits

Good Afternoon:

I have a student who has been selected for verification. In addition to the normal verification items, we are also verifying Social Security Benefits that were reported on the 1040. The verification documentation that the student brought us from our local SSA Field Office indicated zero benefits in the household.

We then contacted the student who brought in form RRB-1099. RRB stands for Railroad Retirement Board. On box 3 of this RRB-1099 it says Gross Social Security Equivalent Benefit Portion of Tier 1 Paid in 1996. The amount in box 3 is the $12,446.

Is this really SS Benefits or should it be reported at untaxed income instead. I am not really sure where to put it since the tax return says that it is SS and the SSA says that the family did not receive any benefits in 1996.

Any assistance is appreciated.

Johnathan Ortiz

Date: Thu, 12 Mar 1998 17:02:15 -0500
From: "Myette, Dave" <MYETTE@CHAMPLAIN.EDU>
Subject: High School student

I have a situation that I have never run into before. The student is completing her senior year of high school by taking all college courses at a local college. She completes the college courses on May 7 and wants to enroll in our first summer session on May 11. The problem is that her high school does not end classes until May 28. Since she has completed her high school diploma requirements on May 7, can I award her aid for the summer session? If not, can I process it after May 28 retroactive to the beginning on the summer session?

David Myette
Champlain College
163 So. Willard Street
Burlington, VT 05401
phone:(802) 865-6430
fax: (802) 860-2775
e-mail: myette@champlain.edu

Date: Wed, 11 Mar 1998 19:35:17 -0800
From: "Etienna R. Winzer" <etwinzer@SPRINTMAIL.COM>
Subject: Summary-BBAY Guidance Sought

None of the individuals responding could support the scenario I presented to allow a school to certify a loan for 1 1/2 the annual maximum. Below is the "Original Question" and the "Responses"

==

"Original Question"

Are you aware of any ED guidance which would prevent a school from processing a loan for a student in the following manner, given the following circumstances?

1. Schools academic year is Fall, Spring (meets minimum 30 week requirement)
2. Student will enroll for Fall, Spring, and Summer term
3. School processes loan using BBAY
4. The years used are for example purposes.

How the school currently processes loan:

1. Process first loan for annual max ($18,500, sub and unsub)for Fall 97,Spring 98, grade level 6.
2. Process second loan for 1/2 of annual max ($9,250, sub and unsub) for Summer 98 only, grade level 7
3. Process third loan for 1/2 of annual max ($9,250, sub and unsub) for Fall 98 only, grade level 7.
4. Process fourth loan for annual max ($18,500, sub and unsub) for Spring 99, Summer 99 at grade level 8.

How school would like to do it:

1. Process first loan for 1 1/2 the annual max ($27,750, sub and unsub) for Fall 97, Spring 98, Summer 98 at grade level 6.
2. Process second loan for 1 1/2 the annual max ($27,750, sub and unsub) for Fall 98, Spring 99,Summer 99 at grade level 7.

==

"Responses"

I think you could get away with 3 apps but not the 2 suggested:

1) F/SP 97-98 GL 6, $18,500
2) Sum98-Fall98 GL 7, $18,500
3) Spr99-Sum99 GL 8 $18,500

Although you could document the BBAY eligibility on the 2 apps, every guarantor in the nation would probably reject it and have to create a workaround to get it processed. And I think the student would have problems with it on NSLDS forever due to it being for more than the annual $18,500 limit.

This is how you must do it. Unfortunately a loan application cannot cover more than 2 semesters at a time. We have the same problem and do the loans exactly how you are currently doing them. It causes multiple disbursements for all those one-semester-only loans and is a real pain. But we have been told there is no other way by both the lenders and the guarantors.

The first scenario is okay. The school cannot do the proposed alternative to process one and one-half the annual maximum at a time. A borrower-based academic year is the equivalent of the school's regular academic year which is two terms (semesters). If the school processes as proposed, it is not using a BBAY but a scheduled academic year with summer as a trailer and the student is only eligible for the annual maximum for the entire SAY.

We are borrower based as well. I don't think a Guarantee agency would guarantee a loan for $27,750, sub and unsub. What we do:

1. Process first loan for annual max ($18,500, sub and unsub)for Fall 97,Spring 98, grade level 6.
2. Process second loan for annual max ($18,500, sub and unsub) for Summer 98, Fall 1998, grade level 7
3. Process third loan for annual max ($18,500, sub and unsub) for Spring 99, Summer 99 at grade level 8.--

Your guarantee agency will not allow the latter request. They won't certify more than the annual maximum unless an academic year has transpired.

Etienna R. Winzer
Education First
Phone: 813-281-3381; FAX: 813-281-3350
E-mail: etwinzer@sprintmail.com

Date: Thu, 12 Mar 1998 17:51:05 EDT
From: FLORIAN <JFLORIAN@MACOMB.CC.MI.US>
Subject: Taxpayer Relief Act Request

We need your help in a national effort to help colleges and universities cope with the reporting requirements of Hope Scholarship and Lifetime Learning tax credits defined in the Taxpayer Relief Act of 1997. One of the
projects undertaken by a nationwide task force of college, university and association representatives is to develop a process guide. This process guide will be made available to all institutions and describe the processes and procedures necessary to comply with the reporting requirements.

The guide will address the question: What do institutions have to do to comply with the reporting requirements of TRA'97? To undertake this task, we need information on what your institution has developed or has determined needs to be done to meet the reporting requirements. Documented procedures, instructions and policies are especially valuable. However, at this stage, whatever you have in whatever form it exists will be helpful to us.

Please forward the information by March 26, 1998 to:

Edward L. Whalen
National Association of College and University Business Officers
2501 M Street, NW, Suite 400
Washington, DC 20037
e-mail: ewhalen@nacubo.org
telephone: (202) 861-2553
Facsimile: (202) 296-1592

Thanks for your assistance.

Judy Florian, Director of Financial Aid
Macomb Community College
Member, Taxpayer Relief Act Task Force

Date: Thu, 12 Mar 1998 16:05:38 -0800
From: Tina Moncada <tmoncada@USIU.EDU>
Subject: Return of Funds to Lender

I know that current regulations require schools to "return funds no later than 10 business days after the school receives the funds" if a borrower is deemed ineligible for those funds . . .

However, I remember reading something somewhere that this will change to 3 business days . . .

When is this change scheduled to occur?

Thanks . . .

Tina Moncada
Director, Financial Aid
U.S. International University
San Diego, California 92131
619 635-4559
FAX: 619 635-4848
Check us out at: http://www.usiu.edu/

Date: Thu, 12 Mar 1998 16:17:47 -0800
From: Bryan Hannegan <hannegan@ESSGRAD.PS.UCI.EDU>
Subject: Bipartisan Compromise on Interest Rates

NAGPS has learned this afternoon that House Education and Workforce (EWF) Subcommittee Chairman "Buck" McKeon and Ranking Subcommittee Member Dale

Kildee have proposed amendments to Title IV of the Higher Education Act that would put into law a significant reduction of student loan interest rates for new loans after July 1, 1998. The bipartisan proposal will reduce interest rates by 0.8%, while paying lenders sufficient interest to maintain the viability of the student loan program. This proposed change, estimated by the Committee to cost $1 billion in taxpayer funds over the next five years, comes in response to lenders' concerns for profitability under existing law scheduled to make changes to the student loan interest on July 1.

The bipartisan proposal would preserve the 91-day T-Bill as the index used for setting interest rates on an annual basis, but reduce the spread for students to T-Bill + 1.7% (in-school) and T-Bill + 2.3% (repayment), resulting in interest rates of 6.83% in-school and 7.43% in repayment. Lenders will receive T-Bill + 2.1% (in-school) and T-Bill + 2.8% (repayment), with the balance paid by the federal government. EWF staff estimate the cost of this proposal to be $1 billion over five years, although CBO has not yet provided its analysis.

A drop in the student loan interest rate of this size will yield savings to the student of roughly $650 for every $12,000 borrowed over the ten-year life of the loan. The net cost to lenders will be a loss of 30 basis points for loans in repayment, and 40 basis points for loans while the student is still in school, well above the minimum level determined by Treasury Department and the Congressional Budget Office as necessary to maintain the health of the FFEL program.

The proposed amendments will be debated by the full House Committee on Education and the Workforce at their hearing scheduled for next Wednesday, March 18. For more information, see the NAGPS Student Loan Interest Rate web site at http://www.nagps.org/Student_Aid/Loan_Rates/.

Bryan Hannegan, President
National Association of Graduate-Professional Students (NAGPS)
president@nagps.org

End of FINAID-L Digest - 11 Mar 1998 to 12 Mar 1998
****

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: "Elmendorf, Edward" <ElmendorfE@aascu.nche.edu> ("Elmendorf, Edward" <ElmendorfE@aascu.nche.edu> [UNKNOWN])

CREATION DATE/TIME:12-MAR-1998 17:21:10.00

SUBJECT: FW: AASCU ADVISORY - UPDATES AND ACTION--STUDENT LOAN INTEREST RA TE UPDATE -- SENATE BILL S.1724 TO REPEAL TAXPAYER REPORTING BURDEN

TO: "Elmendorf, Edward" <ElmendorfE@aascu.nche.edu> ("Elmendorf, Edward" <ElmendorfE@aascu.nche.edu> [UNKNOWN])
READ:UNKNOWN

TEXT:
> AASCU ADVISORY - UPDATES AND ACTION
>
> FROM: ED ELMENDORF
>
> TO: AASCU PRESIDENTS AND CHANCELLORS
>
> SUBJ: (1) STUDENT LOAN INTEREST RATE UPDATE
> (2) SENATE BILL S.1724 TO REPEAL TAXPAYER
> REPORTING BURDEN
>
> DATE: MARCH 11,1998
> ---
> -------------------------
> (1) STUDENT LOAN INTEREST RATE UPDATE
> AASCU sent you a brief update on the student interest rate and
> testimony by AASCU
> (http://www.aascu.nche.edu/services/gov_rel/ratetest.htm) on March 5,
> 1998. I wanted you to have an update that is being sent by ACE
> (http://www.aascu.nche.edu/news/bulletin/interestltr.htm) in
> conjunction with AASCU and other higher education associations. You
> may expect that the House Education and Workforce Committee will
> propose a student interest rate compromise on March 18th when they
> markup the Higher Education Act. AASCU will continue to advocate a
> rate that does not adversely impact students. You may expect to
> receive AASCU ACTION ALERTS
> (http://www.aascu.nche.edu/news/bulletin/bullhome.htm) from us to
> support or oppose the rate that is determined on March 18th.
>
> (2) SENATE BILL S.1724 TO REPEAL TAXPAYER REPORTING BURDEN
> (ftp://ftp.loc.gov/pub/thomas/c105/s1724.is.txt)
> Senator Collins (R-ME) has introduced legislation to repeal the
> taxpayer reporting burden mandated under the recently enacted Taxpayer
> Relief Act of 1997. Her bill mirrors the Manzullo bill introduced on
> the House side (H.R. 3127)
> (ftp://ftp.loc.gov/pub/thomas/c105/h3127.ih.txt). There are nine
> cosponsors on S. 1724. A Dear Colleague letter will be sent to other
> Senate members inviting them to co-sponsor the bill. Presidents of
> the three public higher education associations (AASCU, AACC and

> NASULGC) sent a joint letter
> (http://www.aascu.nche.edu/services/gov_rel/collins.htm) of
> unequivocal support for this legislation. The bill would eliminate
> the reporting requirements on institutions and clarifies the
> responsibility for individuals who claim benefits and are responsible
> for providing the information to the IRS.
>
> If you have NOT written or contacted your two U. S. Senate members,
> NOW is the time to do so! AASCU delivered more than 1500 letters from
> our members to Representaive Manzullo on H.R. 3127.
>
> If you have any questions or you need additional information, contact
> me at:
>
> Ed Elmendorf
> Vice President for Government Relations and Policy Analysis
> AASCU
> Phone: 202 293 7070
> Email: elmendorfe@aascu.nche.edu
>
>
>

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@umich.edu> (Tom Butts <tombutts@umich.edu> [UNKNOWN])

CREATION DATE/TIME:13-MAR-1998 07:52:55.00

SUBJECT: Interest Rate Agreement - Chronicle

TO: pdls@umich.edu (pdls@umich.edu [UNKNOWN])
READ:UNKNOWN

TO: dlcg@umich.edu (dlcg@umich.edu [UNKNOWN])
READ:UNKNOWN

TEXT:
DAILY NEWS

Friday, March 13, 1998

House Committee Offers Plan to Resolve
Dispute Over Student-Loan Interest Rates

By DOUGLAS LEDERMAN

WASHINGTON

A House of Representatives committee weighed in Thursday with its long-awaited solution to the fight over an impending change in the formula used to calculate the interest rate on student loans.

The proposal, which would significantly lower the interest rate for students but use federal funds to soften the financial blow for banks, elated college officials but left lenders a bit cold.

Unless the scheduled change is halted by July 1, the formula used to calculate the interest rate will be based on the rate for 10-year Treasury notes rather than on that for 91-day Treasury bills, as it is now. The change would reduce the interest rate for student loans from the current 8.2 per cent to 6.9 per cent.

Bankers have warned that such a shift would force them to flee the guaranteed-loan program by making student loans unprofitable for them. While Clinton Administration officials and advocates for students have accused lenders of exaggerating the problem, college lobbyists, lawmakers, and others have been negotiating to find a solution acceptable to students and bankers alike. The problem is supposed to be dealt with in the legislation that Congress is preparing to extend the Higher Education Act of 1965, which expires this year.

This month, Administration officials, saying they were looking out for students, proposed to cut the interest rate to about 6.8 per cent from the current 7.6 per cent while students are in college, and to 7.4 per cent from the current 8.2 per cent after that. The plan would lower the profit margin of lenders by about 0.8 of a point -- far too much, the lenders insisted.

Republican lawmakers, trying to resolve the dispute, were in a bind because they did not want to appear to be abandoning students in favor of the banks, with which they have often sided in the past.

But they also did not want to give banks reason to leave the loan program, said a spokesman for the House Committee on Education and the Workforce.

"From the beginning, we have wanted to work for students, but we also know that there are two parts to the equation: One is giving them the lowest interest rate possible, and the other is keeping the program running, which means keeping the banks in it," said the spokesman, Jay Diskey.

The House proposal, which was crafted by Representative Howard P. (Buck) McKeon, the California Republican who heads the subcommittee that oversees student-loan programs, and by Representative Dale Kildee, the panel's senior Democrat, would lower the interest rate for students to the same level proposed by the Administration -- 6.8 per cent while a student is in college, and 7.4 per cent while he or she is in repayment.

But while the Administration's proposal would have forced lenders to accept those same rates, the House plan would let lenders draw an interest rate of 7.2 per cent while a student is in college, and 7.9 per cent while the student is in repayment.

The difference between the two figures -- 0.4 of a percentage point while students are in college, 0.5 of a point during repayment -- would be made up by increasing the payments the federal government makes to lenders to cover their cost of doing student-loan business.

That concession won't fully protect the banks. Even the House plan would lower the profit margin that banks now earn on student loans by 0.3 of a point -- less than the 0.8 in the Administration's proposal, but more than the 0.15 that banks have argued is the most they can afford.

Mr. Diskey, of the House education committee, acknowledged that lawmakers did not "anticipate the banks' being in love with this proposal." But "we would not be doing this if we did not think the banks would stay in the game," he said, citing a recent study by Citibank that suggested it could live with a comparable drop in its profit margin.

Representatives of the lending industry could not be reached for comment Thursday. Education Department officials also could not be reached.

But college officials, who had generally rallied behind the Administration's proposal, applauded the lawmakers for finding a solution that may appease, if not fully please, all sides.

"This is a very good proposal for students, and the House committee deserves enormous credit for keeping the interests of students first," said Terry W. Hartle, senior vice-president for government and public affairs at the American Council on Education. "The lenders won't like this, but I do not think it will lead large numbers of them to abandon the program."

The House panel is expected to incorporate the interest-rate proposal into its Higher Education Act legislation at a drafting session next week.

Background stories from The Chronicle:

"Lawmakers Say Clinton Plan Won't Resolve Dispute Over Student-Loan Interest Rates," 3/6/98
"House Panel Approves College Bill but Delays Action on Loan Rates," 3/5/98
"Administration Proposes to Cut Interest Rates on Student Loans," 2/26/98
"Backers of Direct Lending Fight an Effort to Halt Impending Change in Interest Rates," 2/20/98
"White House Signals Shift on Formula for Calculating Interest Rates on Student Loans," 1/16/98
"Lenders Thwarted in Effort to Block Change in Interest Rates on Student Loans," 9/26/97

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: USSA Erica Adelsheimer <ussaleg@essential.org> (USSA Erica Adelsheimer <ussaleg@essential.org> [UNKNOWN])

CREATION DATE/TIME:13-MAR-1998 16:16:30.00

SUBJECT: Support Bipartisan Interest Rate Proposal

TO: "U.S. Student Association" <ussa@essential.org> ("U.S. Student Association" <ussa@essential.org> [UNKNOWN])
READ:UNKNOWN

TEXT:
LEGISLATIVE ALERT
3/13/98

HELP SAVE STUDENTS BILLIONS OF DOLLARS! SUPPORT BIPARTISAN PROPOSAL ON STUDENT LOAN INTEREST RATE!

The student voice has been heard! After much hard work and deliberation, House Education Subcommittee Chairman "Buck" McKeon (R-CA) and Ranking Subcommittee Member Dale Kildee (D-MI) have put forth a bipartisan proposal that would significantly lower interest rates on all new student loans after July 1, 1998. The proposal will reduce interest rates for students by 0.8%, while ensuring lenders sufficient profit to maintain the viability of the guaranteed student loan program. Students will save billions of dollars under the proposal and will see significant reductions in their loan interest payments over the life of their loans.

The proposal will be debated by the full House Committee on Education and the Workforce at their hearing scheduled on Wednesday, March 18. The proposal, to be offered in the form of an amendment to Title IV of the Higher Education Act, is expected to pass the full House Education and the Workforce Committee. However, because the proposal requires the federal government to contribute to the cost of lowering the interest rate, the proposal will need the support of the House and Senate Budget Committees in order to be enacted into law.

Students should call, fax, and email Chairman McKeon and Ranking Member Kildee, thanking them for their efforts to reduce student loan interest rates and keep the student loan program viable:

"Buck" McKeon (R-CA) 202-225-1956 tellbuck@mail.house.gov
Dale E. Kildee (D-MI) 202-225-3611 dkildee@mail.house.gov

STUDENTS SHOULD ALSO CONTACT MEMBERS OF THE HOUSE AND SENATE BUDGET COMMITTEES AND URGE THEM TO SUPPORT THE 0.8% REDUCTION IN STUDENT LOAN INTEREST RATES! (See USSA ACCESS 98 Manual for full list of Budget Committee members).

House Budget Committee
Chairman = John Kasich (R-OH) 202-226-7270(p)
202-226-7174(f) budget@hr.house.gov

Ranking Member = John Spratt (D-SC) 202-226-7200
202-226-7233(f) jspratt@hr.house.gov

Senate Budget Committee
Chairman = Pete Domenici (R-NM) 202-224-0462(p)
202-224-4835 (f)
senator_domenici@domenici.senate.gov

Ranking Member = Frank Lautenber (D-NJ) 202-224-0533 (p)
202-228-2007 (f)
frank_lautenberg@lautenberg.senate.gov

If you are in a state where there are no members of your House or Senate delegation
on the Committee on Education and the Workforce or the House or Senate Budget Committees call the House
Switchboard at 202-225-3121 and ask for your Member of Congress. Tell them to offer their support for the bipartisan proposal on student loan interest rates when it comes to the floor for a vote!

TALKING POINTS

Use the following talking points to encourage members to vote for the bipartisan proposal to reduce interest rates:

1. The proposed law would save students BILLIONS of dollars in reduced loan interest payments over the next five years.

2. Lower interest accumulation means lower overall student debt, allowing students to pay off their loans quicker, and get started earlier on the purchase of new homes, investment, and savings for their childrens' education.

3. The McKeon/Kildee proposal preserves an interest rate that allows lenders
to maintain profitability, preserving students access to loans in the guaranteed loan program.

4. The McKeon/KIldee proposal reduces student loan interest rates by an amount similar to reductions observed for many loan and mortgage rates in most every other ecomomic sector.

5. The Committee proposal allows lenders to use the 91-day T-Bill to set interest rates, which is consistent with lenders' desires to invest their funds in short-term investments to maximize profits.

USSA LETTER SENT TO MCKEON AND KILDEE

March 12, 1998

Dear Chairman McKeon and Ranking Member Kildee,

On behalf of the over 3 million students represented by the United States Student Association (USSA), we write to thank you for your tireless efforts on the issue of the student loan interest rate and to express our strong support for the bipartisan proposal put forth by the subcommittee. We express our thanks and support also on behalf of U.S. PIRG's Higher Education Project and the National Association of Graduate and Professional Students (NAGPS).

As you well know, the issue of student loan interest rates is of great concern to students who are simply overwhelmed by student loan debt. Potential students often forego higher education for fear of the loan debt they would be forced to incur, current students are anxiety-ridden about how they will make payments upon graduation, and thousands of recent graduates are struggling to pay rent and grocery bills while keeping up with their loan repayments. By ensuring that students receive a 0.8% reduction on their loan interest rates, the subcommittee's proposal will significantly help to alleviate the burden students bear because of excessive college debt. At the same time, the proposal safeguards students access to loans through the guaranteed loan program.

Throughout the discussions and debate concerning this issue, we have expressed our appreciation for your willingness to listen to the student voice and to seriously consider our concerns. Your proposal reflects the high degree to which you have done so. While your proposed solution represents a slight increase for students as compared with current law, we believe you have crafted a realistic, fair, and even-handed compromise that protects students' need for lower borrower rates.

Over the next several years, your proposal will save students billions of dollars and, on a daily basis, will make the daunting task of making interest payments on student loans both during school and after graduation easier. Again, we thank you for your hard work and determination in delivering a solution that incorporates students needs and that will help expand access to higher education.

Sincerely,

Sarita Gupta
President
Director

Erica Adelsheimer
Legislative

****

TAKE ACTION ON CAPITOL HILL!

JOIN THE U.S. STUDENT ASSOCIATION IN THE
29TH ANNUAL GRASSROOTS LEGISLATIVE CONFERENCE

AND NATIONAL STUDENT LOBBY DAY!

MARCH 7-10,1998

GALLAUDET UNIVERSITY
WASHINGTON D.C.

****

Erica Adelsheimer
Legislative Director
U.S. Student Association
ussaleg@essential.org
1413 K Street NW 9th Floor
http://www.essential.org/ussa
Washington, DC 20005

Phone: 202.347.USSA
Fax: 202.393.5886
E-mail:

****

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@umich.edu> (Tom Butts <tombutts@umich.edu> [UNKNOWN])

CREATION DATE/TIME:15-MAR-1998 09:14:29.00

SUBJECT: Bipartisan proposal on 1998 Interest Rate Issue II

TO: pdls@umich.edu (pdls@umich.edu [UNKNOWN])
READ:UNKNOWN

TO: dirloan2@lists.uoregon.edu (dirloan2@lists.uoregon.edu [UNKNOWN])
READ:UNKNOWN

TEXT:
Following is an ACE summary of the interest rate proposal to be offered in the House HEA markup this Wednesday. Note the Administration press statement I included at the end.

>From: Hartle, T W [SMTP:t_w_hartle@ace.nche.edu]
><mailto:[SMTP:t_w_hartle@ace.nche.edu]>
>Sent: Friday, March 13, 1998 12:17 PM
>To: Roschwalb, Jerry
>Subject: RE: Bipartisan proposal on 1998 Interest Rate Issue II
>
> > Several higher education associations met with
>Mr. McKeon and Mr. Kildee Thursday afternoon to discuss the
>resolution of the 1998 interest rate issue. They have reached agreement
on
>a plan that is favorable for the students. Several hurdles remain,
>but we believe that the plan they are looking at is a very good one
>for borrowers.
> >
> > Right now, students in repayment of Subsidized
>Stafford loans pay 8.23 %. (Students do not begin to repay their loans
>until after leaving school.) Lenders receive 7.63% from the federal
>government while borrowers are in-school. (The reimbursment
>is lower because the servicing costs are lower when the student is in

>school.)
> >
> > Under the plan put forward by the Administration
>two weeks ago that was widely praised by student groups, students
>would pay 7.43 % on loans after leaving school. Lenders were to have
>been reimbursed at the same 7.43 % interest rate. Lenders have
>indicated that this cut is too severe and that they will leave the
>program if the Administration's proposal takes effect.
> >
> > The McKeon-Kildee proposal charges borrowers the
>same interest rate as the Administration proposed but it gives
>lenders a higher return by reimbursing them at 7.93% when the student

>is in school (one-half percentage point higher than the rate that

>the students will be charged). The difference between what the
>borrower pays and what the lenders receive would be made up by the
>taxpayers. During the in-school period, lenders would be reimbursed at a
>7.23 % rate under the House plan. (This is higher than the rate 6.83%

>proposed by the Administration).
> >
> > Compared with the current interest rates, the
>House plan means that the students would see a .8 percentage point drop
>(eight tenths of a percentage point or 80 basis points) in their
>interest rate and lenders would see a .17 percentage point decline (17

>basis points) in return when the borrower is in repayment and .40
>(40 basis points) when the borrower is in school. Lenders have
>protested to McKeon and Kildee that the .40 drop in the in-school
interest
>rate is too severe and McKeon-Kildee have agreed to revisit this
>issue.
> >
> > The cost of the plan is unknown and remains a
>big variable. According to the materials distributed at our
>meeting, the Committee expects that the plan will cost $1 billion over 5
>years if CBO agrees to use last year's scoring methodology. If CBO
>uses this year's methodology (known to the cognoscenti as probabilistic
>scoring) the bill to the taxpayers will be higher. It is not clear if

>Congress will "instruct" CBO to use last year's scoring or not.
> >
> > Obviously increasing the cost of the program to
>the taxpayer gives the Budget Committees a say over the outcome of
>this proposal. There is no word yet on how they see this idea, but
>McKeon and Kildee have asked for help with both Budget Committees as
>well as the House leadership. McKeon and Kildee asked for calls to be

>made to both.
> >
> > The student groups are delighted with the
>McKeon-Kildee proposal. ACE has drafted and is circulating a letter
>supporting the compromise. The lenders, as noted earlier, are
particularly
>unhappy with the reimbursement rate that lenders would receive when
>the borrowers are in-school and have asked McKeon - Kildee to look
>at this again.
> >
> > At present, it appears that this will be
>included in the bill when the Committee marks up the Higher Education

>Reauthorization next week. Still, there are many uncertainties involved
--
>involving CBO, the Budget Committees and the Administration's
>response-and the issue can not be regarded as being settled.
> >
> > On a related note, several of us met with Deputy
> > Secretary of Education Mike Smith yesterday and he told us

>that the Administration feels very strongly that its proposal is a good
>one and that they will stand behind it aggressively.

U.S. Department of Education

FOR IMMEDIATE RELEASE   CONTACT: Stephanie Babyak
March 13, 1998   (202) 401-2311

STATEMENT BY ACTING DEPUTY EDUCATION SECRETARY MARSHALL S. SMITH
regarding the House proposal on the 1998 student loan interest rate change

The latest proposal is a good start. I'm pleased it recognizes the need to protect students from banks. Now I hope Congress will join us in protecting taxpayers. The Administration continues to believe that students can be protected without taxpayers subsidizing the record profits of lenders.

###

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Automatic digest processor <LISTSERV@LISTS.PSU.EDU> (Automatic digest processor <LISTSERV@LISTS.PSU.EDU> [UNKNOWN])

CREATION DATE/TIME:16-MAR-1998 23:23:51.00

SUBJECT: FINAID-L Digest - 15 Mar 1998 to 16 Mar 1998

TO: Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> (Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> [UNKNOWN])
READ:UNKNOWN

TEXT:
There are 20 messages totalling 843 lines in this issue.

Topics of the day:

1. U. S. Government Printing Office Web Site
2. For INDIANA Student Financial Aid Association Members
3. OOPS!!
4. Bipartisan Compromise on Interest Rates
5. Return of Funds to Lender
6. E.D.E. Workshop/Jackson, Tennessee
7. SSN Problems
8. Verification
9. Reuesting A copy of a RFP
10. Pell eligibility -- Non-standard term within a standard term
11. Deferment By the Borrower or By the Loan?
12. Record Keeping
13. Educational Assistance Council
14. Loan Management/Default Prevention
15. INTEREST FREE INSTITUTIONAL LOANS
16. SAP
17. CPS Reprocessing 3/9,10
18. pell and private scholarship (2)
19. [Fwd: No Interruption in FFELP Loans to Students if Interest Rate IssueTriggers Lender Withdrawal]

Date: Mon, 16 Mar 1998 07:32:49 -0500
From: Susan Little <slittle@ARCHES.UGA.EDU>
Subject: U. S. Government Printing Office Web Site

This is a multi-part message in MIME format.
--------------15B504867192D28B9C3FA064
Content-Type: text/plain; charset=us-ascii
Content-Transfer-Encoding: 7bit

Thanks to all who responded so quickly. Two addresses were provided and I am showing them here for any who are interested.

http://www.gpo.gov

http://www.vcilp.org/Fed-Agency/fedwebloc.html#fedweb.top

The first address goes directly to the Government Printing Office site. The second is a Federal Web Locator which will enable you to search for any federal. I've looked at both and they are very helpful. Well worth bookmarking in your system.

Thanks again for all of the help.

--------------15B504867192D28B9C3FA064
Content-Type: text/x-vcard; charset=us-ascii; name="vcard.vcf"
Content-Transfer-Encoding: 7bit
Content-Description: Card for Susan D. Little
Content-Disposition: attachment; filename="vcard.vcf"

begin: vcard
fn: Susan D. Little
n: Little;Susan D.
org: Office of Student Financial Aid
email;internet: slittle@arches.uga.edu
title: Associate Director
note: 220 Academic Building Athens, Ga. 30603-6114 (706)
542-6147 FAX
(706-542-8217
x-mozilla-cpt: ;0
x-mozilla-html: TRUE
version: 2.1
end: vcard

--------------15B504867192D28B9C3FA064--

Date: Mon, 16 Mar 1998 08:38:38 -0500
From: "McCafferty, Patricia L" <pmccaffe@EXCHANGE.UCS.INDIANA.EDU>
Subject: For INDIANA Student Financial Aid Association Members

Hi ISFAA members!

The ISFAA Early Awareness Program Survey is ready for you to complete!

We have posted it on the ISFAA Website, where you can complete and submit it on-line!!

We are interested in gathering information about the programs that you are involved with through your institutions that target students in 7th through 11th grades. (We are not looking for information about financial aid nights for high school seniors). Our goals are to increase our own awareness of what we are all doing, as well as encourage participation in early awareness activities. (After reading the 5 e.mail messages on "Common Myths", I think early awareness programming makes more and more sense every day!)

Please be sure to complete the form, for each program with which you are involved, by March 31st. We plan to have compiled results available at the ISFAA Spring Conference.

The web address is: http://www.isfaa.org

We look forward to hearing from you. Please let me know if you have any questions or concerns.

Patt McCafferty
Director, ICPAC Hotline
Smith Research 150
2805 E. 10th Street
Bloomington, IN 47408
800-992-2076

################################
"We are constantly invited to be what we are." #
Henry David Thoreau #
################################

Date: Mon, 16 Mar 1998 08:00:07 -0600
From: Allison Knott <Allison.Knott@MARQUETTE.EDU>
Subject: OOPS!!

Hello all,

After looking at the message I sent out to you regarding the exit info. I received, I realized that one of the web addresses I put out there was wrong. It is the site for Direct Loans and it should be:
http://www.ed.gov/DirectLoan
I think I had a back slash after the "ed" instead of a period...SORRY!! I hope this hasn't caused you any headaches trying to get to this site with the wrong address.

Thanks,

Allison A. Knott
Financial Aid Counselor

Marquette University

Date: Mon, 16 Mar 1998 08:33:42 -0600
From: "Polsdofer, Duane" <polsdofed@WALDORF.EDU>
Subject: Re: Bipartisan Compromise on Interest Rates

Boy, you can sure tell it is an election year. The government tries to buy votes of people that have student loans and then find out they are stepping on the toes of corporate banks and will lose their votes and contributions. "Now what do we do?" As we have always done, put the screws to the taxpayers.

A lot of people refer to the government as a 'good ole boys' network. If that is true, I would suggest the boys need to grow some anatomy and leave the taxpayers out. Look, if you screwed up and reduced the rates too much, fess up and tell the student loan borrowers you screwed up by saving them too much money and we have to take some away and give back to the banks so our contributions do not go dry. Or, if you feel you did the right thing, tell the banks that is the way it is. Whatever you do, don't whimper off and say the taxpayers will bail us all out.

I feel it is funny that one political party accuses the other of being tax and spend (by the way, I am independent because I don't feel everything can be capsulated into two parties). It seems to me that this is what this is doing, except instead of spending it on the poor, we are spending it on corporate america.

Just my two cents worth and does not reflect my colleges view.

Duane
> ----------
> From: Bryan Hannegan[SMTP:hannegan@ESSGRAD.PS.UCI.EDU]
> Reply To: Bryan Hannegan
> Sent: Thursday, March 12, 1998 6:17 PM
> To: FINAID-L@LISTS.PSU.EDU
> Subject: Bipartisan Compromise on Interest Rates
>
> NAGPS has learned this afternoon that House Education and Workforce
> (EWF)
> Subcommittee Chairman "Buck" McKeon and Ranking Subcommittee Member
> Dale
> Kildee have proposed amendments to Title IV of the Higher Education
> Act
> that would put into law a significant reduction of student loan
> interest
> rates for new loans after July 1, 1998. The bipartisan proposal will
> reduce interest rates by 0.8%, while paying lenders sufficient
> interest to
> maintain the viability of the student loan program. This proposed
> change,
> estimated by the Committee to cost $1 billion in taxpayer funds over
> the

> next five years, comes in response to lenders' concerns for
> profitability
> under existing law scheduled to make changes to the student loan
> interest
> on July 1.
>
> The bipartisan proposal would preserve the 91-day T-Bill as the index
> used
> for setting interest rates on an annual basis, but reduce the spread
> for
> students to T-Bill + 1.7% (in-school) and T-Bill + 2.3% (repayment),
> resulting in interest rates of 6.83% in-school and 7.43% in repayment.
> Lenders will receive T-Bill + 2.1% (in-school) and T-Bill + 2.8%
> (repayment), with the balance paid by the federal government. EWF
> staff
> estimate the cost of this proposal to be $1 billion over five years,
> although CBO has not yet provided its analysis.
>
> A drop in the student loan interest rate of this size will yield
> savings
> to the student of roughly $650 for every $12,000 borrowed over the
> ten-year life of the loan. The net cost to lenders will be a loss of
> 30
> basis points for loans in repayment, and 40 basis points for loans
> while
> the student is still in school, well above the minimum level
> determined by
> Treasury Department and the Congressional Budget Office as necessary
> to
> maintain the health of the FFEL program.
>
> The proposed amendments will be debated by the full House Committee on
> Education and the Workforce at their hearing scheduled for next
> Wednesday,
> March 18. For more information, see the NAGPS Student Loan Interest
> Rate
> web site at http://www.nagps.org/Student_Aid/Loan_Rates/.
>
> Bryan Hannegan, President
> National Association of Graduate-Professional Students (NAGPS)
> president@nagps.org
>
> --
> This message | Submissions mailto:FINAID-L@lists.psu.edu
> was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
> the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
> mailing list | backup (Pete Weiss)
> mailto:FINAID-L-REQUEST@lists.psu.edu
> -------------| more info
> mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L
>

Date: Mon, 16 Mar 1998 10:11:59 -0500
From: Mrs Cheryl A Willard <cwillard@BW.EDU>
Subject: Re: Return of Funds to Lender

July 1, 1999 is the big day!

On Thu, 12 Mar 1998, Tina Moncada wrote:

> I know that current regulations require schools to "return funds no later
> than 10 business days after the school receives the funds" if a borrower
is
> deemed ineligible for those funds . . .
>
> However, I remember reading something somewhere that this will change to
3
> business days . . .
>
> When is this change scheduled to occur?
>
> Thanks . . .
>
>
>
>
> Tina Moncada
> Director, Financial Aid
> U.S. International University
> San Diego, California 92131
> 619 635-4559
> FAX: 619 635-4848
> Check us out at: http://www.usiu.edu/
>
> --
> This message | Submissions mailto:FINAID-L@lists.psu.edu
> was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
> the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
> mailing list | backup (Pete Weiss)
mailto:FINAID-L-REQUEST@lists.psu.edu
> --------------| more info
mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L
>

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|    |   ||---'|   ||
`---'`   '`---'`   `---|`---'
                   `---'
```

Cheryl Willard * Office of Financial Aid * Baldwin-Wallace College
cwillard@baldwinw.edu

Date: Mon, 16 Mar 1998 10:09:38 +0000

From: Gregory Thornburg <gthornburg@JSCC.CC.TN.US>
Subject: E.D.E. Workshop/Jackson, Tennessee

Attention participants registered for the "Electronic Aid Office"
Jackson, Tennessee March 19, 20

We look forward to our colleagues from Tennessee, Arkansas, Kentucky, Missouri, Alabama, and Mississippi joining us for the Department of Education's "Electronic Aid Office" training.

Please note that we are encouraging participants to "abide" by our casual dress code for the workshop. Our students are on spring break and our administration will be on a planning retreat. So there will be no one here that business apparel will impress. So, please bring your casual clothes to wear for both days of the workshop.

For parking: park in the lot at the far east end of our campus beside the Student Union Building in the student section of the lot. Jackson State is at exit 85 off of Interstate 40.

For those of you staying at the Garden Plaza, it is located on the Highway 45 Bypass South. Take exit 80-A and go south. You will see the Garden Plaza on your left. If you come to Jackson State from the Garden Plaza, ask the staff there for the easy way to Jackson State from the hotel. (This will save you from going back out to the interstate.)

I have been told that the workshop is full, so I can't squeeze anybody in who is not already registered. Sorry.

Please email me if you have any questions.

Greg Thornburg

Internet Address: gthornburg@jscc.cc.tn.us
Gregory Thornburg
Director of Financial Aid
Jackson State Community College
2046 North Parkway
Jackson, TN 38301
Phone: 901-425-2624

Date: Mon, 16 Mar 1998 11:30:43 -0500
From: Ann Acton <anna@SHAWNEE.CC.IL.US>
Subject: SSN Problems

OK, friends and neighbors in financial aid land--can you help? What would you do next?

Student's first ISIR processed in August--message indicates name/number is not the same as at SSA. We tell the student to go to the SSA office and order a new card with her married name, which she does. It comes through in October. So we have on file BOTH a copy of a new social security card and her birth certificate. The name, number and date of birth all match what's on CPS. Although technically not required, we always send the ISIR back through to clear the record with SSA. We have now done that through FIVE transactions, the last coming through on Friday, and we're still getting the message that "the name you reported on your application does not correspond with the social security number you provided"

We're disbursing the student's funds--but obviously something is not working right. And since we've been "promised" that in the future we will probably have to resolve this before disbursing funds--what next? Any suggestions on what we could/should still be doing? Has anyone else had this happen--and what did the problem/resolution end up being?

TIA--Ann Acton
Shawnee Community College

Date: Mon, 16 Mar 1998 10:18:31 EDT
From: Tom Jewell <jewell_t@MUSKEGON.BAKER.EDU>
Subject: Verification

Good Morning,
For those students that have been selected for verification, how far does your institution go in having the student document such things as divorce, separation, and other untaxed income?

Do you believe it is required by our office to get additional proof of these items other than a signed statement from the student?

I am finding that many institutions are fine with a written statement from the student, while others require third party documentation.

TIA

Tom Jewell
Director of Financial Aid
Baker College of Muskegon
1903 Marquette
Muskegon, MI 49442
Ph. 616.777.5255
Fax 616.777.5264
jewell_t@muskegon.baker.edu

Date: Mon, 16 Mar 1998 12:42:59 -0800
From: Joseph Chromy <bravejoe@EARTHLINK.NET>

Subject: Reuesting A copy of a RFP

Good afternoon everyone. I have a client, a 4-yr private university,that is considering selling their institutional tuition loan portfolio
to raise capital for new loans.

My client (who wishes to remain anonymous so that he doesn't receive lots of sales calls) and I would like to know if anyone here in cyberland has gone through the process of selling institution loan portfolios. We would like to request a sumary of your experiences and a copy of any requests for proposals (RFP) that you may have written prior to the sale.

Your replies are very appreciated. I will be happy to post the replies I receive.

Joe

--

Joe Chromy, Jr.
Vice President
Education Credit Services, l.l.c.
2300 Fall Hill Avenue
Suite 511
Fredericksburg, VA, 22401
(800) 854-9603
(540) 654-5426

COHEAO's Web Site http://www.coheao.com
E-Mail
bravejoe@earthlink.net
jchromy@ecs-sbs.com

Date: Mon, 16 Mar 1998 12:53:06 -0500
From: "Derico, Carrie" <carrie.derico@CINCYBIBLE.EDU>
Subject: Pell eligibility -- Non-standard term within a standard term

Good afternoon everyone!

I've been trying to figure out if I can give this student Pell money or not -- the student is enrolled in a non-standard term class that meets within the standard term. It meets for 6 weeks out of the 15 weeks. I wouldn't have a problems except for the fact that this is the only class that the student in enrolled in and is only 1 cr hr. Do I just process this as a non-standard term Pell? Any input would be greatly appreciated! Thanks!

Carrie Derico
Financial Aid Coordinator
Cincinnati Bible College & Seminary

Date: Mon, 16 Mar 1998 12:13:42 -0600
From: Georgia T Whiddon <gwhiddon@MAILHOST.TCS.TULANE.EDU>
Subject: Deferment By the Borrower or By the Loan?

Are deferments limited to a certain number of months per borrower or per loan? Can someone cite a reference for this?

Specifically, if a student already received four months of unemployment deferment for undergraduate loans, went to graduate school and accumulated new loans, and then applied for unemployment deferment again, would that student be limited to twenty more months on all of the loans? Or would the student have 24 months deferment on the graduate school loans and 20 months deferment left on the undergraduate school loans?

(This student is a prior borrower, for whom unemployment deferment is limited to 24 months).

Thank you!
****
Georgia T. Whiddon, Assistant Director Law Financial Aid
Tulane University
EMAIL: gwhiddon@mailhost.tcs.tulane.edu OR gwhiddon@law.tulane.edu
PHONE: 504/865-5931 FAX: 504/865-6710

Date: Mon, 16 Mar 1998 14:21:23 -0500
From: Bettie Westbrook <bwestbro@BARTON.EDU>
Subject: Record Keeping

I am interested in learning how long you would retain Dear Colleague Letters, Action Letters, etc... We are in the process of moving offices and combining files and I am hoping to get rid of some ancient information. I understand student record retention requirements, but I am not really clear on how long we should keep this information. Please respond to me directly and I will post my results to the list. Thanks in advance.

Bettie L. Westbrook
Director of Financial Aid
Barton College
bwestbro@barton.edu

Date: Mon, 16 Mar 1998 13:51:45 -0800
From: Pamela S Wagener <pamfao@KOUGARS.KISH.CC.IL.US>
Subject: Educational Assistance Council

After my posting last week, most of us seem to agree that the organization is a scholarship search outfit. One respondant indicated a call to the organization resulted in a request for a $39.95 fee.

So, if you want to build the data base, you can send the information. It appears to me that if you have your institutional scholarship information on your institutional web page, that information is available to anyone and everyone with an internet provider. Therefore, that information could be scanned by any of these types of organizations and also free scholarship searches.

Also, my Latin is pretty poor (actually non-existant) but I think their motto was something like Seaching for Fortune.

Pamela S. Wagener
Director, Financial Aid
Kishwaukee College phone 815-825-2086 ext 372
21193 Malta Road fax 815-825-2306
Malta IL 60150 email pamfao@kish.cc.il.us

Date: Mon, 16 Mar 1998 15:20:11 -0500
From: Sherry Youtz <syoutz@THOMPSONINSTITUTE.ORG>
Subject: Loan Management/Default Prevention

We are looking to the future and are interested in finding out about software, systems, etc. for loan management. We are interested in going beyond the use of only Preclaim Assistance Rosters. We know there are servicing companies that do this with sophisticated dialers, etc. Has anyone seen or currently using an internal system/software that they would recommend?

Thank-you!
Sherry Youtz

Date: Mon, 16 Mar 1998 15:46:52 -0500
From: Stephanie Sutton <ssutton@LORAINCCC.EDU>
Subject: INTEREST FREE INSTITUTIONAL LOANS

We are looking at offering a few institutionally funded interest free loans to certain select groups of students. Does anyone have a legal document similar to what I have described. If yes, could you please fax it to me.

Thanks!

Stephanie Sutton
Manager, Financial Aid
Lorain County Community College
1005 North Abbe Road
Elyria, OH 44035
Voice: 1-800-995-5222 Ext. 7622
Fax: (440) 366-4634

Date: Mon, 16 Mar 1998 13:36:02 -0800

From: Catherine Nelson <cnelson@NEW.MSMC.LA.EDU>
Subject: SAP

Anyone out there in FinancialAidLand care to share your institution's =
Satisfactory Academic Progress policy and procedures? I am especially =
interested in how other four-year colleges with some graduate and =
non-traditional programs handle the matter. Thanks in advance.

Catherine Nelson
Compliance Officer
Office of Student Financing
Mount St. Mary's College
12001 Chalon Road=20
Los Angeles, California 90049-1599
(310) 954-4190 voice
(310) 954-4199 fax
cnelson@msmc.la.edu

Date: Mon, 16 Mar 1998 16:50:08 -0500
From: Howard Leslie <hleslie@ADM.SCHOOLOFVISUALARTS.EDU>
Subject: CPS Reprocessing 3/9,10

Is it reasonable to assume that the March 9th and 10th records, that are to be reprocessed due to the DOB errors, will have a greater transaction number when received again?

Date: Mon, 16 Mar 1998 17:05:00 -0600
From: Mari Notley <mari@DBU.EDU>
Subject: pell and private scholarship

I have a student that was disbursed her pell and has now received funds from a private donor. The scholarship and the pell exceed the students COA.
What do I do?
What I have read states that we should not reduce Pell. She was eligible for it when it was disbursed.
I welcome any suggestions.
Mari Notley

Date: Mon, 16 Mar 1998 16:47:18 -0800
From: Don Black <dblack@GEORGEFOX.EDU>
Subject: [Fwd: No Interruption in FFELP Loans to Students if Interest Rate IssueTriggers Lender Withdrawal]

This is a multi-part message in MIME format.
--------------E03AFCF3D633B2B95C17E67A
Content-Type: text/plain; charset=us-ascii

Content-Transfer-Encoding: 7bit

--------------E03AFCF3D633B2B95C17E67A
Content-Type: message/rfc822
Content-Transfer-Encoding: 7bit
Content-Disposition: inline

Return-Path: <tbonnel@EDFUND.ORG>
Received: from smtptoo.georgefox.edu by pete.georgefox.edu
(SMI-8.6/SMI-SVR4)
id LAA14403; Mon, 16 Mar 1998 11:24:52 -0800
Received: from SCUACC.SCU.EDU by smtptoo.georgefox.edu (SMI-8.6/SMI-SVR4)
id LAA15634; Mon, 16 Mar 1998 11:30:54 -0800
Received: from EDFUND.ORG ([208.155.145.11])
by scuacc.scu.edu (PMDF V5.1-8 #2527)
with SMTP id <01IUQDNTLQ5U003TJG@scuacc.scu.edu>; Mon, 16 Mar 1998
11:27:47 PST
Received: from CSACDMN-Message_Server by EDFUND.ORG with Novell_GroupWise;
Mon,
16 Mar 1998 11:26:08 -0800
Date: Mon, 16 Mar 1998 11:25:50 -0800
From: Tim Bonnel <tbonnel@EDFUND.ORG>
Subject: No Interruption in FFELP Loans to Students if Interest Rate Issue
Triggers Lender Withdrawal
To: casfaa@scuacc.scu.edu, mailserv@scuacc.scu.edu, wasfaa@scuacc.scu.edu
Errors-to: WASFAA-request@scuacc.scu.edu
Warnings-to: WASFAA-request@scuacc.scu.edu
Message-id: <s50d0c50.000@EDFUND.ORG>
MIME-version: 1.0
X-Mailer: Novell GroupWise 4.1
Content-type: text/plain; charset=ISO-8859-7
Content-disposition: inline
Content-transfer-encoding: quoted-printable
Comments: WASFAA Mailing List

N E W S R E L E A S E

FOR IMMEDIATE RELEASE
CONTACT: Dana Callihan (916) 526-7288
March 16, 1998

STUDENT AID COMMISSION, EDFUND ANNOUNCE AGREEMENT TO KEEP LOANS FLOWING TO
=
STUDENTS IF INTEREST RATE ISSUE TRIGGERS LENDER WITHDRAWAL FROM FEDERAL =
STUDENT LOAN PROGRAM

RANCHO CORDOVA=AF The California Student Aid Commission, one of the =
nation=A2s largest guarantors of student loans under the Federal Family =
Education Loan (FFEL) program, and EDFUND, its loan services auxiliary =
corporation, announced today that they are fully prepared to implement the
=

lender of last resort provisions in the FFEL program if the current =
impasse over interest rates available to lenders under the program is not =
resolved.

A resolution approved by the Commission at its meeting Friday included the
=
following statement: *Commensurate with its core mission, the California =
Student Aid Commission is singularly focused on ensuring access to student
=
loans for needy and eligible students. While appreciative of the efforts =
of the financial aid community and the Congress to identify and broker an =
acceptable solution to the problems with the 10-year note index scheduled =
to take effect on July 1, the Commission nevertheless will exercise its =
own necessary and appropriate authority and obligation to meet the demand =
for FFELP loans should such discussions at the national level fail.*

The federal program provides for designated guarantors such as the =
Commission to act as the *lender of last resort* in the event other =
lenders decline to participate in the program. In the event that no =
lenders opt to participate, the U.S. Department of Education (USDE) has =
stated that it will provide capital for the student loan program directly =
from the U.S. Treasury, using guaranty agencies as a conduit to deliver =
funds to students and schools. Lenders have suggested that, in the =
absence of a resolution of the current controversy over interest rates =
available to them under the program, some may decline to participate in =
the program after July 1, while others might reduce their participation.

House Subcommittee on Postsecondary Education, Training and Life-Long =
Learning Chairman Buck McKeon (R-CA) and Ranking Minority member Dale =
Kildee (D-MI) announced a possible resolution of the issue this week, set =
to be marked up as part of the Higher Education Act reauthorization bill =
on Wednesday.

*We want educational institutions in our service area to be assured of the
=
availability of loans,* said EDFUND President and CEO Jon Shaver. =
*Congressional resolution of the problem is still the preferred
alternative=
, but we want our school customers to know that we are prepared to act in =
cooperation with USDE and the Treasury Department if it becomes
necessary.*=

*EDFUND has entered into an agreement with the Great Lakes Higher =
Education Corporation to originate loans in our service area on the =
Commission=A2s behalf under the lender of last resort program, should the =
interest rate issue have an impact on the availability of loan capital. =
With this agreement in place, we will be able to handle any foreseeable =
loan volume we are called upon to originate,* continued Shaver. *We hope =
we won=A2t have to go that route. The lender of last resort program is =
meant to be just that * a last resort. Our priority concern right now is =
maintaining full access for eligible student and parent borrowers in the =
FFEL program through our existing lender network.*

In the event lenders withdraw from or significantly reduce their
participat=
ion in the FFEL program, the Commission and EDFUND would formally request =
the Secretary of Education to advance funds from the U.S. Treasury for the
=
origination of new loans. Under existing law, the Commission and EDFUND =
would only gain that authority if existing lenders prove unwilling or =
unable to serve educational institutions to whom they provide loan =
guarantees. =20

*We entered into the new origination agreement with Great Lakes primarily =
because California and the western region is the largest student loan =
market in the nation, and has the greatest diversity of schools, including
=
a number of institutions that have been faced with possible lender =
withdrawal in the past because of the characteristics of their population =
of students,* concluded Shaver. *They need assurances that their students
=
will have full access to FFEL loans regardless of what happens on the =
interest rate issue.*

Following the Commission meeting Friday, EDFUND=A2s board of directors met
=
and concurred in the Commission=A2s statement, adding its intent to engage
=
in full consultations with California=A2s principal lenders in an effort =
to identify additional alternatives that meet the goal of ensuring an =
uninterrupted supply of capital to student and parent borrowers.

=23

The California Student Aid Commission is the state=A2s principal provider =
of grant and scholarship aid to postsecondary students. Founded in 1955 =
as the California State Scholarship Commission, the Commission=A2s primary
=
programmatic responsibilities today are operation of the Cal Grant =
program, which is expected to distribute over =24283 million to California
=
college students during the 1997-98 school year, and the new Scholarshare =
tax-deferred college savings program. The 15-member Commission also =
oversees the activities of its non-profit student loan services auxiliary,
=
EDFUND. The Commission is headquartered in Sacramento.

EDFUND is a private nonprofit corporation that conducts student loan =
application processing, status tracking, financial transactions, defaulted
=
loan collection, and other loan service activities under the Federal =
Family Education Loan Program. EDFUND processes more than =241.6 billion =
in student loans annually and manages a portfolio of outstanding loans =
valued at =2413.1 billion. EDFUND is headquartered in Sacramento, with =
regional offices located in Sacramento, Oakland, Long Beach, and San =
Diego, with new offices opening soon in Seattle and Phoenix.

--------------E03AFCF3D633B2B95C17E67A
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fn: Don Black
n: Black;Don
org: George Fox University
adr;dom: 414 N Meridian;;;Newberg;Oregon;97123;
email;internet: dblack@georgefox.edu
title: Director of Financial Aid
tel;work: 503-538-8383 ext. 2232
tel;fax: 503-554-3880
note: ph: 503-538-8383 ext 2232 fx: 503-554-3880
x-mozilla-cpt: ;0
x-mozilla-html: TRUE
version: 2.1
end: vcard

--------------E03AFCF3D633B2B95C17E67A--

Date: Mon, 16 Mar 1998 20:00:54 -0500
From: "D. Sherwin Hibbets" <sherhib@REGENT.EDU>
Subject: Re: pell and private scholarship

Mari, you are correct that the Pell may not be reduced due to the student having received an outside, private scholarship. A student must be paid their amount of eligibility.

Depending upon the donor, they may or may not want to make an adjustment in the private award offered (depending upon program criteria, guidelines, if they even care, etc.)

If the private scholarship is not reduced, the student may have some tax implications if total grants and scholarships exceed tuition and course-related expenses for the year (tax year). Not that we are tax police
officers, but the student may want to be aware.

D. Sherwin Hibbets — Voice: (757) 579-4125
Director of Financial Aid — Fax: (757) 579-4388
Regent University — E-mail: sherhib@regent.edu
1000 Regent University Dr. - Adm 112
Virginia Beach, VA 23464

At 05:05 PM 3/16/98 -0600, Mari Notley wrote:
>I have a student that was disbursed her pell and has now received funds
>from a private donor. The scholarship and the pell exceed the students
>COA.
>What do I do?

>What I have read states that we should not reduce Pell. She was eligible
>for it when it was disbursed.
>I welcome any suggestions.
>Mari Notley

D. Sherwin Hibbets | Voice: (757) 579-4125
Director of Financial Aid | Fax: (757) 579-4388
Regent University | E-mail: sherhib@regent.edu
1000 Regent University Dr. - Adm 112
Virginia Beach, VA 23464

End of FINAID-L Digest - 15 Mar 1998 to 16 Mar 1998
****

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Helen Veit (CN=Helen Veit/OU=WHO/O=GOV [UNKNOWN])

CREATION DATE/TIME:17-MAR-1998 18:08:50.00

SUBJECT:

TEXT:
Wednesday, March 18, 1998

Treasury
Secretary Rubin and Chairman Greenspan will brief the House International Relations Committee on the current situation in SE Asia and funding for the IMF.

A representative from Treasury will testify before the House Subcommittee on Government Management, Information and Technology on the Treasury Year 2000 program. On March 4, OMB released a draft report which indicates that Treasury,s Year 2000 program appears to be on schedule. As part of its process for monitoring agency progress, OMB has categorized agencies into one of three tiers: 1) insufficient progress; 2) progress is evident, but there are concerns; 3) satisfactory progress. OMB has judged Treasury to be a Tier 2 agency.

Justice
The Attorney General will:
address the FBI Legal Attache Conference.
travel to Atlanta, GA concerning state detention centers.

The Senate Indian Affairs Committee will mark up Indian provisions of three tobacco bills currently pending in the Senate.

The Senate Governmental Affairs Committee will hold a hearing on the Vacancies Act. The Department has been invited to testify.

Interior
Secretary Babbitt will:
attend events celebrating the 95th anniversary of the National Wildlife Refuge system where he will highlight the need for reauthorization of the Endangered Species Act.
attend a California Diversity Council meeting in San Francisco, CA.

USDA
Secretary Glickman will:
meet with the National Joint Council of Food Inspection Locals, which represents 7530 in-plant meat and poultry inspectors.
testify at a hearing of the House Agriculture Committee on EU issues and the 1999 WTO Round.

The House Resources Committee will hold a hearing on issues dealing with the National Environmental Policy Act.

Commerce
Secretary Daley will have dinner at the home of Katharine Graham with King Hussein and Queen Noor of Jordan.

Deputy Secretary Mallett will testify before the House Resources Subcommittee on Fisheries Conservation, Wildlife, and Oceans regarding the proposed FY99 budget request.

Labor
Secretary Herman will testify before the Senate Labor-HHS Appropriations Subcommittee. The Subcommittee Chairman, Senator Specter sent the Secretary a letter stating his intention to focus the hearing on Welfare-to-Work and how DOL,s overall request fits within the Subcommittee,s limited discretionary resources.

BLS will release indicators for Metropolitan Area Employment and Unemployment data for January 1998. This release has been separated from the State Employment and Unemployment data to allow the State data to be release in a more timely fashion.

From March 18 - 20, Deputy Secretary Higgins will attend the AFL-CIO Executive Council Meeting in Las Vegas, NV.

The House Coast Guard and Maritime Transportation Subcommittee will hold a hearing on shipbreaking. Patricia Rivers, Chair of the Interagency Panel on Shipbreaking, will testify. Larry Liberatore is OSHA's representative to the panel. Although OSHA was not invited to testify, DOL is planning a briefing on OSHA enforcement in the industry for the Committee staff next week.

HHS
Secretary Shalala will:
testify in support of the Peace Corps before the House International Relations Committee.
address the weekly California Democratic Delegation meeting.
participate in the First Lady,s Women,s Magazine Roundtable.

CDC will present findings of the Fernald Risk Estimation Project, specifically human risk estimates, to the Fernald Health Effects Citizens Subcommittee in Harrison, Ohio. This is an open public meeting and the findings are expected to draw local media attention. CDC,s National Center for Environmental Health (NCEH) has analyzed human health risk for the community surrounding the Department of Energy,s Fernald uranium production facility resulting from operations from 1951-1988. The facility is located in a rural community (Hamilton and Butler counties) 15 miles northwest of Cincinnati, Ohio. The draft report will provide estimates of the risk of lung cancer mortality resulting from environmental exposure to radioactive materials released from the Fernald site. The findings indicate that persons residing within 10 kilometers (6.21 miles) from the center of the Fernald site for any period of time between 1951 and 1988 (approx. 40,000-50,000 people) may have an increased risk of death resulting from lung cancer as a result of exposure to radioactive materials released from the facility. In addition, analyses by smoking status, gender, time period, and location indicate that some subgroups of this population are at greater risk than others; specifically, smokers and persons living east of the site and close to the site. No specific health actions are recommended at this time; however, CDC has planned follow-up activities that will address specific public health responses such as smoking cessation and testing of homes for naturally-occurring radon.

On March 18-20, SAMHSA and ONDCP are sponsoring the U.S.- Mexico Demand Reduction Conference in El Paso, TX. This conference is one of the action steps contained in the U.S./Mexico Bi-national Drug Strategy which was developed as a result of the Alliance Against Drugs Declaration signed by the Presidents Clinton and Zedillo in May 1997. Approximately 200 leaders in substance abuse prevention and treatment from both the U.S. and Mexico will participate in the conference. The conference will be a working c onference and it will result in proceedings and recommendations on future efforts to strengthen drug demand reduction in Mexico and the U.S. Some of the topics to be included in the conference are: effective use of media; school-based prevention and education programs; drug use/impact surveys and data collection; effective treatment approaches and strategies; and role of the private sector in community-based prevention. ONDCP Director Barry McCaffrey and SAMHSA Administrator Dr. Nelba Chavez will participate in the conference.

The National Institute of Diabetes and Digestive and Kidney Diseases will host an event on the NIH campus to recognize the contributions of world-renown fantasy artists Greg and Tim Hildebrandt. The Hildebrandt brothers are creators of the original Star Wars artwork. The Hildebrandts have offered to design original artwork for a poster for the nationwide NIH/NIDDK Diabetes Prevention Program clinical trial (DPP). They are auctioning the artwork in New York and donating the proceeds to the clinical trial.

The March 18 issue of the Journal of the American Medical Association will publish results from the Trial of Nonpharmacologic Interventions in the Elderly (TONE), a 30-month study of older Americans. It shows that in elderly people with high blood pressure, losing weight and cutting down on salt can lessen and even eliminate the need for blood pressure-lowering medications. The TONE study was co-funded by the National Heart, Lung, and Blood Institute and the National Institute on Aging.

HUD

Secretary Cuomo will host the first meeting of the National Advisory Board to launch the Community Builders Fellowship.

DOT

Secretary Slater and Deputy Secretary Downey will address DOT,s Regional Directors meeting in Washington, DC. The purpose of the meeting is to further the implementation of the Departments Strategic Plan with a focus on the One DOT concept and partnering for excellence.

Secretary Slater will address the Transport Workers Union of the AFL-CIO at their Legislation Conference in Washington, DC.

Aviation negotiations with Argentina are scheduled for March 18-19, in

Buenos Aires. The objective is to conclude an "Open-Skies" agreement with Argentina.

The House Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation will hold a hearing on federal ship scrapping policies and procedures. MARAD and the Coast Guard will not testify but are expected to accompany the Department of the Navy

The House Transportation and Infrastructure Subcommittee on Aviation will hold hearings on FAA reauthorization, AIP, and NCARC recommendations. The FAA will testify.

Energy
Secretary Pe¤a will:
meet with Ralph Goodale, Canadian Minister of Energy.
participate in the First Lady ,s Women ,s Magazine Roundtable.

Education
Secretary Riley has begun a series of school visits highlighting the School Construction proposal. The Secretary will visit Eastern Middle School in Silver Spring, Maryland.

Secretary Riley will also:
appear on The News Hour with Jim Lehrer.
appear on Representative Forbes , cable show.

DOEd staff will participate in the release of a report titled "Study of the Prevention of Reading Difficulties in Young Children." The report is a joint project of the National Academy of Sciences, HHS and DOEd. The report will contain recommendations for future research and implications for policy, practice and professional development.

The White House Initiative on Educational Excellence for Hispanic Americans will convene the first meeting of the Inter-Departmental Council for Hispanic Educational Improvement. The Council will develop working groups on education and employment that will be staffed by selected personnel from federal agencies. Representative Becerra is scheduled to participate.

The House Education and the Workforce Committee is scheduled to mark up the Higher Education Act, including Title IV (student financial aid/student loan interest) and Title V (teacher professional development), which were not considered at the subcommittee level.

VA
The House Appropriations Subcommittee on VA, HUD, and Independent Agencies will hold a hearing on VA ,s FY99 budget.

The House Veterans , Affairs Subcommittee on Oversight and Investigations will hold a hearing on VA ,s participation in the Energy Management Program.

The House and Senate Veterans , Affairs Committees will hold a joint hearing to receive the legislative presentation of the Disabled American

Veterans.

EPA
Administrator Browner will lunch with Representative Gephardt and Freshman Democrats

On March 18-20, the U.S. Conference of Mayors , Environmental Committee and the Municipal Waste Management Association will hold a joint meeting. The members will focus on recycling and international solid waste management.

USTR
Ambassador Barshefsky will:
hold a business outreach event with Mack McLarty.
travel to San Jose, Costa Rica to participate in the FTAA Trade Ministerial.

Ambassador Scher will testify in the House Agriculture Committee regarding general agricultural trade issues.

NBC is likely to run a story involving SBA and DoD. SBA guaranteed a small business loan (which has been paid back in full) to a small business that purchased surplus batteries from DoD. SBA understands the small business was allegedly trying to sell the batteries to Iran.

ONDCP [This item is also under HHS]
On March 18-20, experts in drug demand reduction from the United States and Mexico will meet in El Paso, Texas for the first U.S./Mexico Bi-National Demand Reduction Conference. Director McCaffrey will by joined by other senior U.S. and Mexican officials to host the event. This conference supports the recently issued US/Mexico Bi-National Drug Strategy. Alliance Point 1 of this document states the following goal: "Reduce the demand for illicit drugs through the intensification of anti-drug information and educational efforts, particularly those directed at young people, and through rehabilitative programs." Conferees will be exploring new and innovative ways to achieve that goal during the four plenary and four break out sessions planned for the conference. Conference proceedings will be published 90 days after the conclusion of the conference.

SBA
Administrator Alvarez will:
participate in the First Lady ,s Women ,s Magazine Roundtable.
testify before the Senate Small Business Committee on the agency budget.

FEMA
Director Witt continues to participate in the New Zealand Emergency Management Conference in Wellington, New Zealand.

OPM
At the request of Senator Don Nickles, OPM staff will brief the leadership staff of Senate Majority Whip Don Nickles about the Patient Bill of Rights as it relates to the Federal Employees Health Benefits Plan (FEHB).

Director Lachance will meet with the Interdepartmental Council on Hispanic Education.

GSA
Administrator Barram will attend a regional review in New York, NY.

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: USSA Erica Adelsheimer <ussaleg@essential.org> (USSA Erica Adelsheimer <ussaleg@essential.org> [UNKNOWN])

CREATION DATE/TIME:20-MAR-1998 19:54:42.00

SUBJECT: Legislative Report 13 3/20/98

TO: "U.S. Student Association" <ussa@essential.org> ("U.S. Student Association" <ussa@essential.org> [UNKNOWN])
READ:UNKNOWN

TEXT:
Legislative Report 13
Friday, March 20 1998

REAUTHORIZATION
After two days of discussion and debate, the House Education and the Workforce Committee completed its mark-up of H.R.6, "Higher Education Act Amendments of 1998," yesterday afternoon. During the mark-up, over 20 amendments were offered to the Chairman's bill. Because of pressure from USSA student members as well as other civil rights and education groups, NO AMENDMENTS TO ELIMINATE OR DISMANTLE AFFIRMATIVE ACTION PROGRAMS WERE OFFERED. (We do need to keep up the pressure, however, because Riggs (R-CA) is likely to offer his anti-affirmative action amendment on the floor).

USSA is in the process of collecting the legislative language on the amendments that were passed, as well as reviewing the more than 200 pages of the bill itself. The House bill will go to the floor next month. A number of additional amendments to the bill are likely to be offered on the floor, as Committee members attempt to modify amendments that did not pass and as non-committee members push to see other changes.

The Senate has scheduled their reauthorization mark-up for Wednesday, April 1.

BENEFITS AND PROBLEMS IN THE HOUSE BILL
The House bill passed by the committee contains a number of benefits for students, many of which USSA and our student members were instrumental in ensuring:

1) The bi-partisan proposal put forth by Subcommittee Chairman Buck McKeon and Ranking Member Dale Kildee to lower student loan interest rates by 0.8% passed unanimously as part of Chairman Goodling's bill. This reduction in the interest rate will mean BILLIONS of dollars in savings for students. (The average undergraduate student with a debt of $15,000 will save nearly $1000 under a standard 10-year repayment plan. A graduate student with $80,000 in debt will save $10,000 during the 20 years it often takes to repay this debt.) Details regarding interest

rates students would pay if they consolidate their loans were not included as part of the bill passed out of committee. However, Reps. McKeon and Kildee, who called USSA Legislative Director, Erica Adelsheimer, into a brief meeting on the issue during the mark-up, both gave their verbal commitments to make sure that students consolidating their loans would not pay higher rates.

2) The bill expands access to the Pell grant program for both independent students and dependent students who work. The bill raises the income protection allowance, IPA, (the money NOT considered when calculating a student's expected contribution to her education costs) from $4200 to $5500 for independent students and from $2200 to $3000 for dependent working students. (USSA will press to see higher IPAs in the Senate bill, but believes the House bill is a good step in the right direction). The bill also aids students with children by raising the dependent care allowance from $750 to $1500, thus ensuring that these students also receive bigger Pell grants. This provision would aid students who have been critically impacted by the 1996 welfare changes.

2) An amendment offered by Rep. Fattah (D-PA) authorizes the creation of the new programs the President proposed as part of his High Hopes initiatives. These early intervention programs, including the College-School Partnership program and the Early Awareness Information program, would ensure support services and informational resources were available to low-income middle and high school students to help them on the path to college (See Leg. Report 11 for more information on the High Hopes initiatives.) The Fattah amendment passed by a vote of 24-18.

3) The bill includes language reauthorizing the State Student Incentive Grant (SSIG) program. Under the House bill, the program would be renamed the Special Leveraging Educational Assistance Partnership Program (SLEAP), would require states to match every federal dollar with $3 from the state, and would allow the state to use the money to 1) increase the dollar amounts of grants to currently eligible students, 2) carry out high school to college transition programs, 3) provide grants to students wishing to enter teaching or computer-related careers who demonstrate financial need, 4) carry out early intervention programs, and 5) award merit scholarships to eligible students who demonstrate financial need.

4) An amendment offered by Rep. Roukema (R-NJ) authorizes $30 million for the creation of a competitive grant for schools to develop new campus child care programs. (This amendment is similar to S. 1151, the CAMPUS Act, sponsored by Senators Snowe, Dodd, and Kennedy, though the Senate bill would authorize $60 million and would allow the funds to go either to schools seeking to create child care programs or to those wishing to expand existing programs).

Unfortunately, the bill does include some downfalls:

1) The bill ELIMINATES the Harris and Javits graduate fellowships. The Harris fellowship offers grant aid to women and students of color. The Javits fellowship offers grant aid to graduate students in the humanities. Students will need to put pressure on the Senate Labor and Human Resources Committee (Chair= Jeffords (R-VT), Ranking Member=Kennedy (D-MA)) to

ensure that these critical programs are preserved in the Senate bill.

2) The bill does make some changes in the campus safety reporting requirements, but not to the degree USSA feels is necessary. USSA will work with Rep. Schumer's office in drafting an amendment on campus crime reporting to be offered on the floor. USSA will also be working with Rep. Woolsey's office to strengthen her amendment to provide grants for the prevention of violent crimes against women. Rep. Woolsey offered and withdrew this amendment during the mark-up after it received some criticism from Chairmen Goodling and McKeon. But both agreed to work with her in trying to redraft the amendment so that they could support it when the bill goes to the House floor.

USSA will continue to provide more details about the House reauthorization bill, about strategies for pressuring House legislators before the bill goes to the floor, and about strategies for targeting Senate Labor and Human Resources Committee members as we review the House bill and learn more details about the Senate bill.

FY99 APPROPRIATIONS
In the initial phase of the appropriations process, the Senate Budget Committee marked-up the Senate budget resolution on March 17th. The Senate Budget resolution DOES NOT PRIORITIZE EDUCATION. The resolution provides only a $600 million increase for all education, job training and social services. This amount is $1.6 billion below the President's request and $1 billion below current services levels. The resolution assumes large increases for special education, but because the overall numbers for education are so low, this would mean CUTS in other education programs, such as Pell grants. Moreover, the resolution explicitly assumes NO FUNDING for any of the President's education initiatives, including the High Hopes initiatives.

ALL SENATE MEMBERS NEED TO HEAR FROM STUDENTS BEFORE THE SENATE BUDGET RESOLUTION GOES TO THE SENATE FLOOR FOR A VOTE. TELL YOUR SENATORS EDUCATION MUST BE A FUNDING PRIORITY AND THAT THEY SHOULD SUPPORT AMENDMENTS TO INCREASE FUNDING FOR EDUCATION!

TO URGE YOUR CONGRESS MEMBERS TO SUPPORT INCREASED AID FOR STUDENTS USE THE ***FREE*** ALLIANCE TO SAVE STUDENT AID HOTLINE!

CALL 1-800-574-4AID
TO BE CONNECTED WITH YOUR SENATORS AND REPRESENTATIVE

****

TAKE ACTION ON CAPITOL HILL!

JOIN THE U.S. STUDENT ASSOCIATION IN THE
29TH ANNUAL GRASSROOTS LEGISLATIVE CONFERENCE
AND NATIONAL STUDENT LOBBY DAY!

MARCH 7-10,1998

GALLAUDET UNIVERSITY
WASHINGTON D.C.

****

Erica Adelsheimer
Legislative Director
U.S. Student Association
ussaleg@essential.org
1413 K Street NW 9th Floor
http://www.essential.org/ussa
Washington, DC 20005

Phone: 202.347.USSA
Fax: 202.393.5886
E-mail:

****

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tony Boccanfuso <aboccan@BGNET.BGSU.EDU> (Tony Boccanfuso <aboccan@BGNET.BGSU.EDU> [UNKNOWN])

CREATION DATE/TIME:23-MAR-1998 13:03:24.00

SUBJECT: interest rates

TO: CGA-NEWS@UMDD.UMD.EDU (CGA-NEWS@UMDD.UMD.EDU [UNKNOWN])
READ:UNKNOWN

TEXT:
Dear Colleagues:

There is an interesting article in the 3/23 issue of Barron's that deals with the various potential outcomes of the student loan interest rate debate. If anyone would like a copy of the article, please let me know and I will fax it to you.

TB

****
Anthony M. Boccanfuso, Ph.D.
Associate Provost for Research and Federal Relations
Bowling Green State University
106 University Hall
Bowling Green, Ohio 43403
419-372-2481; 419-372-0304 (fax)
aboccan@bgnet.bgsu.edu
http://www.bgsu.edu/offices/spar/HomePage.html

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Automatic digest processor <LISTSERV@LISTS.PSU.EDU> (Automatic digest processor <LISTSERV@LISTS.PSU.EDU> [UNKNOWN])

CREATION DATE/TIME:30-MAR-1998 23:19:11.00

SUBJECT: FINAID-L Digest - 29 Mar 1998 to 30 Mar 1998

TO: Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> (Recipients of FINAID-L digests <FINAID-L@LISTS.PSU.EDU> [UNKNOWN])
READ:UNKNOWN

TEXT:
There are 24 messages totalling 983 lines in this issue.

Topics of the day:

1. Dependency Override
2. access to $ you don't own
3. Subsidized loan eligibility quiz of 3/10/98
4. Early Awareness Program Survey (INDIANA SFAA Members)
5. Summer Session
6. family size and # college
7. Student Loan Debt Management
8. Credit balance answers (when PLUS and Stafford involved)
9. FWS wage garnishment
10. Student Aid Update: HEA and more
11. Position Vacancy - Systems Analyst in NYC
12. Ward of the Court (2)
13. EFC Formula Book
14. edcaps/gaps
15. Students workers exempt from social security taxes
16. (Fwd) position announcement - Assistant Director
17. DIRECTOR FINANCIAL AID
18. SEOG Funds
19. POSITION AVAILABLE (fwd)
20. AmeriCorps
21. I Need 2 boxes of 97/98 FAFSAs
22. 97/98 FAFSA...DONE... Thank you
23. Dependency Over ride and PJ - two shillings worth

Date: Sat, 28 Mar 1998 10:34:14 -0800
From: Fred Carter <fredcarter@EMAIL.MSN.COM>
Subject: Re: Dependency Override

I am amazed at Carl's response. I was responding to the suggestion that dependency decisions be based in DC. Where do you get a feel good forget the regs policy from that? All I said was to read the regs and exercise your noodle to do your job. If you don't some fed in DC will. Please don't misquote me so badly Carl.

Fred Carter
American Express Educational Loans
Northwest Regional Academic Representative
888-241-7575; Fax 206-706-7788

-----Original Message-----
From: Carl Rawe Jr. [SMTP:rawec@MHCC.CC.OR.US]
Sent: Friday, March 27, 1998 3:32 PM
To: FINAID-L@lists.psu.edu
Subject: Re: Dependency Override

You are absolutely correct Randy. Sounds as if Creda and Fred want to just blow off the federal rules and regs and base their decisions on a feel good philosophy. The rules and regs governing the dependency issue are clear not
vague and are in place because there were way to many Fred and Creda attitudes out there in the FA community. I know, as I was a director for 18
years. Unwillingness of parents is specifically addressed as one of the reasons to not override dependency. Reasons to override must be very compelling and go way beyond being unwilling....e.g. minor child removed from family due to sexual or other abuse in the home that can be documented,
mother or father that is incarcerated or emotionally disturbed to the point of not being able to work or provide support etc. Never is it because the parent is unwilling and/or the child has moved out and has been or is demonstrating self-sufficiency. The deal here is willingness to do the "right thing" versus "things right." It is also a matter of solid professional ethics upholding clear Congressional intent that is clearly spelled out in what the criteria for dependency and being independent are.......whether FA folks like it personally or not.

From: Randy Hall
To: FINAID-L
Subject: Re: Dependency Override
Date: Friday, March 27, 1998 3:41PM

At 10:48 AM 3/27/1998 -0500, Creda Carney wrote:

>>Date: Fri, 27 Mar 1998 10:42:32 -0500
>>To: Fred Carter <fredcarter@EMAIL.MSN.COM>
>>From: Creda Carney <ccarney@nscc.mass.edu>

>>Subject: Re: Dependency Override
>>In-Reply-To: <199803271336.IAA08401@seahawk.nscc.mass.edu>
>>
>>Dearest Fred;
>>
>>Thank You, Thank You, Thank You!!! I posted yesterday to the list that
I
>felt I must perform PJ for students who were being held hostage by a
>financial aid form that ASSUMES that all Americans Value and want to
better
>the lives of their children. Sadly this is not the case in many, many
>instances. I wish I had saved the HOSTILE responses I received
privately.
> Some actually accusing me of manipulating the regulation to suit my own
>purposes. I take performing a PJ very seriously but I will continue to
>collect documentation ie leases, rent receipts, utility bills and tax
>returns to make the student prove he/she is Independent. If the student
>can provide all these things clearly they are supporting themselves.

Creda,

The above mentioned documentation should be fine to prove the student is "clearly . . .supporting themselves". But, what about Federal rules and the assumption of parental support???? (:-)

If you approve a P.J. dependency override and your documentation proves student self support and THAT'S ALL, then. . . are you sufficiently covered in an Audit or Program Review????

What if you are asked to SHOW DOCUMENTATION on just how you determined Parental information be EXCLUDED from the eligibility determination . . .Sorry, but I don't see how proof of self sufficiency alone will be enough.
(:-)

Further, how is simple proof of "self sufficiency" (alone) even remotely related to a P.J. decision to completely dismiss an assumed (and required) parental responsibility to contribute????

Do any FINAID-L'ers have first hand experience with Program Reviewers (or Auditors) on this one???

BTW. . .we're all in this together . . .and I'm just loving this DISCUSS
ION!
(:-)

Opposing views welcome . . .standard disclaimers!

Randy Hall
University of Tennessee at Martin
rhall@utm.edu

P.S. Creda. . .I'm sorry to hear about "HOSTILE responses" . . .that's never constructive (even if they were private).

This message | Submissions mailto:FINAID-L@lists.psu.edu
was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
mailing list | backup (Pete Weiss) mailto:FINAID-L-REQUEST@lists.ps
u.edu
-------------| more info
mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L

Date: Sun, 29 Mar 1998 14:46:32 -0600
From: HTC Office <htc@NSLSILUS.ORG>
Subject: access to $ you don't own

Dear Colleagues,

A student's father is the custodian for HIS mother's savings account which earns about $10,000 a year interest income. The father's name is written on
that account. The father pays taxes on that interest income which he uses only to pay for his mother's expenses and has documentation to that effect.

In reporting his income and assets on the FAFSA :

1) Can a PJ be done to lower his AGI by $10,000 since the interest income is
used only for Mom?

2) In the asset section how much if any must he report? This principle money is NOT his to use at will, however he does have access to it.

Any advice on this matter would be greatly appreciated.

Shmuel Schuman
Hebrew Theological College
7135 N. Carpenter Road
Skokie, Illinois 60077
847-982-2500
EMAIL: HTC@HTCnet.edu

Date: Mon, 30 Mar 1998 09:29:48 -0400

From: Maria Izquierdo-Whitaker <miwhitaker@PUCPR.EDU>
Subject: Subsidized loan eligibility quiz of 3/10/98

The answer to quiz regarding subsidized loan eligibilty of 3/10/98:

Assumption: COA for year $19500 Fall & Spring semesters; Grad. student
EFC 500
Need $18,500

Studies Spring Semester only
COA nis divided by two $9,500 $9,500
250 250
Need 9,250 9,250

Which is correct:
Certified: Sub loan 8,500 4,250
Unsub 750 4,250

No it was not a trick question, just a rhetorical one with made up numbers. However some of you gave it more thought such as: There is no proration for grad students; depends upon the loan period to be certified, one year or one semester; whether the student studied somewhere else the semester before or planned to study the summer; All possibiliest, but again it was not a trick question.

An the answer is NEITHER SCENARIO IS CORRECT.

THERE WERE 63 REPLIES:
57 said $8,500 Sub and $ 750 Unsub
4 said 4,250 Sub and $4,250 Unsub

2 said $8,500 Sub and $1,000 Unsub and they WIN. Why?

Because:
need is $9,500
less efc 250
less sub 8,500
need remaining 750
plus efc 250
need remaining $1,000 AND CAN BE CERTIFIED.

unsub is used to cover efc, don't forget!) FUN WASN'T IT?

Date: Mon, 30 Mar 1998 08:39:23 -0500
From: "McCafferty, Patricia L" <pmccaffe@EXCHANGE.UCS.INDIANA.EDU>
Subject: Early Awareness Program Survey (INDIANA SFAA Members)

Hi! It's Monday morning. No time like the present to click on the ISFAA Homepage and complete the ISFAA Early Awareness Program Survey. (Deadline is March 31)
Results will be compiled for release at ISFAA's Spring Conference.
Make sure that the Early Awareness efforts you are involved with are

included in our report!!! We already have several responses, but want to make sure that our report is as complete as possible.

To access the survey, set your browser to: www.isfaa.org

Thank you! Have a GREAT week!!!

Patt McCafferty
Director, ICPAC Hotline
Smith Research 150
2805 E. 10th Street
Bloomington, IN 47408
800-992-2076

################################
"We are constantly invited to be what we are." #
Henry David Thoreau #
################################

Date: Mon, 30 Mar 1998 08:01:08 EST
From: Helen Violette <HELEN@MAINE.MAINE.EDU>
Subject: Summer Session

We are a term based school with our academic year defined as 30 weeks/24 credits. Because we have standard terms, I have not paid much attention to the rules for non-standard terms. Now it appears we may have an issue that may require proration.

We combine our mini summer sessions into one term which has always equated to 15 weeks, no problem. However, we are considering adding a week between the fall and spring term. This would reduce our summer session to 14 weeks of instruction. If this should happen, would we be required to prorate Pells? Also would this effect the processing of summer staffords?

Please help me as I've been paging through regs and can't seem to find what I need. Regs seem to address academic year but that's not my issue.

Date: Mon, 30 Mar 1998 08:55:52 -0500
From: "Dr. William A. Irwin" <wirwin@EAGLE.LHUP.EDU>
Subject: Re: family size and # college

yes

On Fri, 27 Mar 1998, kim wrote:

> I have a situation where two students from the same household are
> attending our college. One is a dependent student and one is an

> independent student(because he turned 24). The dependent student
included
> the independent student in the family size and # in college. The parents
> are probably giving more than half of their support to the independent
> student. Can we include the independent student in the dependent
students
> family size and number in college. Thanks for your help.
>
> ---
> This message | Submissions mailto:FINAID-L@lists.psu.edu
> was sent via | Subscribe/unsubscribe mailto:LISTSERV@lists.psu.edu
> the FINAID-L | List owner (Bob Quinn) mailto:REQ1@psu.edu
> mailing list | backup (Pete Weiss)
mailto:FINAID-L-REQUEST@lists.psu.edu
> --------------| more info
mailto:LISTSERV@LISTSERV.NET?body=INFO%20FINAID-L
>

Date: Mon, 30 Mar 1998 08:25:18 -0600
From: Sean Smithey <s.smithey@VANDERBILT.EDU>
Subject: Student Loan Debt Management

Hello All!

I have had many requests to post the conglomeration of debt management
tools
I have received. Once I have compiled my list, etc., I will post to the
list.

Thanks for all the input!

Sean E. Smithey
Financial Aid Officer
Office of Student Financial Aid
Vanderbilt University
2309 West End Avenue
Nashville, TN 37203-1725
(615) 322-3591 ~ phone
(615) 343-8512 ~ fax

****

Please note: My e-mail address has changed

S.Smithey@Vanderbilt.edu

****

"Smile and the world smiles with you."

Date: Mon, 30 Mar 1998 10:43:09 -0500
From: Kimberly A Jeffers <JEFFERS@ADMIN.XU.EDU>
Subject: Credit balance answers (when PLUS and Stafford involved)

Thanks to everyone who responded so quickly to my question on Friday. Several of you requested that I post the responses I received. The overwhelming majority stated that if the PLUS loan created an initial credit balance, and then the Stafford created an increased credit balance, two checks should be issued - one to the parent and one to the student. Some suggested contacting the parent for permission to refund the credit balance created by the PLUS to the student. I would want this authorization in writing, however.

Thanks again for the responses!

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$
$ $
$ Kimberly Jeffers INTERNET: "JEFFERS@ADMIN.XU.EDU" $
$ Xavier University $
$ 3800 Victory Pkwy Telephone: (513) 745-2991 $
$ Cincinnati, OH 45207-5411 FAX: (513) 745-2806 $
$ $
$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

Date: Fri, 27 Mar 1998 16:21:16 GMT-6
From: Penny James <pjames@MAIL.LCC.WHECN.EDU>
Subject: FWS wage garnishment

Here's a good one for the Friday afternoon of spring break!!

We have a FWS student who is behind in child support payments. Our payroll office has received a "notice to pay or withhold income for child support" from the Clerk of the District Court.

Page 7-9 of the 1997-98 SFA Handbook says FWS wages cannot be garnished. However, the Clerk's office is saying that collection of back child support is not "garnishment" because is does not get reported on thestudent's credit report. I'm all for holding parents accountable to their obligations, but regardless of what the Clerk calls it, back child support is not an educational expense.

I'm getting a copy of the order and will get our college's legal counsel involved, but I welcome input from the Department, Michael Goldstein, or others who have been in this situation.

^^
Penny James, Financial Aid Director
Laramie County Community College
1400 East College Drive
Cheyenne, Wyoming 82007
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Internet: pjames@mail.lcc.whecn.edu
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Date: Mon, 30 Mar 1998 11:03:17 -0500
From: Ivan Frishberg <ivan@PIRG.ORG>
Subject: Student Aid Update: HEA and more

Student Aid Update
March 27, 1998

All The Student Aid News ThatUs Fit To Print. A Quick Guide To Recent Actions In Washington (this has been edited to meet the finaid listserve guidelines on length).

______ THE ISSUES ______

1. STUDENT LOAN INTEREST RATES

The House Committee, the White House, and most likely the Senate Committee, will all agree on a reduction in student loan interest rates of nearly one full percentage point (.80%). This will deliver thousands of dollars of savings to millions of students at a time when student debt is continuing to escalate at alarming rates. The reduction in interest rates will bring student loans in to line with many other consumer loan interest rates now on the market.

While this is good news, there are two battles brewing that could spill over in to the promised reductions:

A) There is a significant disagreement between the White House and the Congress on how to pay for these reductions. Within the Congress there is also a significant potential for opposition to a tax payer bailout of the loan industry that is part of both the House and Senate proposals. Both the Washington Post and USA Today have editorialized against further subsidies to the loan industry. The White House has recently written to Chairman Kasich of the House Budget Committee warning that the subsidies promised by the Education committee would result in a violation of the Budget Enforcement Act, and result in across the board RSequestrationS of funds from many essential social programs; including student aid and vocational education.

Students should continue to keep pressure on legislator to maintain the interest rate reduction. This fight between lenders and the budgeteers has the potential to send either side after more student money to fix the problem.

B) The second issue still to be resolved that relates to the reduction in the interest rate is the rate for consolidation loans (those loans that turn many loans in to one loan with one repayment plan and more flexible repayment options). The House bill neglected to set the rate for consolidation loans, and this issue has thus far not been addressed by the authors of the Senate proposal. Unless, the rates on consolidation loans are reduced along with the loans in the rest of the program, it will create a huge problem for students who need to consolidate their loans after graduation. These students would see their interest rates raised significantly simply because they are trying to make their repayment more manageable. Simply put, unless this issue is fixed accordingly, we will be setting up a system that hurts the students who need it the most.

The Senate should consider the interest rate on consolidation loans to be part of any proposal on the interest rate fix. Not doing so sets up a false distinction between these two loans. Congress should continue to allow for the lowest possible interest rates for consolidation loans in the Direct Loan program, and should ensure that any reduction in FFEL consolidation loans is commensurate with the interest rate reduction as agreed to by the House of Representatives and the White House. Students should oppose any interest rate fix that doesnUt include a commensurate reduction in the interest rate for FFEL consolidation loans.

2. ORIGINATION FEES

Origination and insurance fees significantly reduce the benefits of student loans for students. In total, these fees reduce the available cash on a student loan by 4%. For a student taking out a $2,500 loan, this means that they will never see $100 of that loan. That is money that would otherwise be available to pay for books, tuition, and other costs of attendance.

These fees were created many years ago as a temporary fee to help cover the costs of government financing for student loans. The White House has proposed, and Congress should enact, a significant reduction and phase out of this tax on student borrowing.

During the House Committee consideration of the HEA Reauthorization bill, Rep. Andrews (D-NJ) offered an amendment to reduce origination fees and pay for it by reducing several of the federal subsidies to the Guaranty Agencies. This amendment was withdrawn during the full committee in the hopes that an agreement could be worked out before the bill is brought to the House floor at the end of April. Students should encourage legislators to agree to a reduction in origination fees, and support any floor amendments to that effect.

On the Senate side, it appears that no reduction in origination fees is in the bill being introduced by Chairman Jeffords. Student advocates are pushing for amendments in Committee or on the floor to cut origination fees in half for subsidized student loans. Such an amendment would increase the funds available to student borrowers when they are faced with tuition and bookstore bills.

3. PELL GRANTS

Both the House and Senate bills increase the authorized funding for the Pell Grant, but as we have seen in recent decades, this funding level frequently has little impact on annually appropriated levels of funding. The major increase in benefits for students is the increase in the Income

Protection Allowance (IPA -- income that is excluded from consideration while the studentsU expected family contribution is calculated). The house bill falls just short of the levels of IPA that will not disadvantage students who work during school or during the summer. The Senate is expected to propose levels of IPA that have been proposed by student and education groups.

4. SSIG / LEAP

Both the House and Senate are backing various forms of legislation proposed by student advocates to strengthen the SSIG program, and rename it the Leveraging Education Assistance Partnership (LEAP) Grant. The Senate bill is expected to mirror S 1644, introduced by Senators Reed and Collins. Students strongly support this provision of the bill, and are urging appropriators in the House and Senate to fund this program at not less that $50 million for FY99. The White House has not yet responded to the LEAP proposal, and students are encouraged to urge both the President and the Secretary of Education to support the LEAP Grant.

5. STUDENT AID DELIVERY

Both the House and Senate are proposing student backed proposals to reform the delivery and management of the student aid system. Under these proposals, a Performance Based Organization (PBO) would be established within the Department of Education to manage student aid delivery. This PBO would have greater flexibility, resources and accountability than the existing management structure. If enacted, this provision of the HEA bill should yield significantly ease the financial aid delivery process for students and gain efficiencies that would benefit both taxpayers and students.

6. FY99 BUDGET

The Senate Budget Committee marked up the Senate Budget Resolution March 17, and will likely send the bill to the full Senate for consideration next week. The Senate Bill poses a significant threat to education funding. While the bill contains a $600 million increase in the overall education budget, proposed increases in special education budgets mean that student aid programs such as Pell Grants and Campus Based aid programs would have to be cut in order to stay within the cap. The Senate proposal is $1.6 billion under the PresidentUs budget request. The proposal also does not contain any funding to pay for the interest rate fix being proposed by the Senate Labor Committee.

When the bill comes to the full Senate, it will receive 50 hours of debate and many many amendments. This is an incredibly important stage in the budget process, and this bill must be amended to avoid almost certain cuts in critical student aid program. More information on amendments will be forthcoming.

Ivan Frishberg, | Internet: ivan@PIRG.org
PIRG's Higher Education Project | Phone: (202) 546-9707
U.S.Public Interest Research Group | Fax: (202) 546-2461
218 D St., SE, Washington, DC 20003 | WWW: www.pirg.org

Date: Mon, 30 Mar 1998 11:05:55 -0500
From: Michelle Brown <mhb14@COLUMBIA.EDU>
Subject: Position Vacancy - Systems Analyst in NYC

Systems Analyst

Responsible for system implementation, testing, and maintenance of Accounts Receivable module; procedures review and development; staff training; reporting; system interface; special projects; and liaison with integrated offices.

BA or equivalent in computer related discipline and 2-3 years of related experience preferred. Strong computer experience using Excel, WP and database programs. Familiarity with SQL, higher education experience, and knowledge of the Banner applications a plus. Clear and strong written and verbal communication skills are essential.

Salary $30+. Excellent benefits including tuition exemption.

Send resume, cover letter and salary history to: Marc Berman; Office of Student Accounts; Teachers College, Columbia University; 525 West 120th Street, Box 305; New York, NY 10027 -

or fax to (212) 678-4139.

Date: Mon, 30 Mar 1998 10:58:39 -0600
From: David Gelinas <dgelinas@SEWANEE.EDU>
Subject: Ward of the Court

Here's one I've not encountered previously:

Student answers "Yes" to Ward of the Court on FAFSA. Reports MAJOR parental income, though. Has HUGE personal assets (over $200K). Gets SNT for reporting estimated 1040A filing status.

We ask, "Wazzup?" with the reporting of parental data. We get told he WAS ward of court until age 18, so answered FAFSA correctly. Here's the kicker: He was declared a ward in conjunction with "legal issues" regarding an inheritance (the source of his assets). No estrangement from parent (inheritance from late mother). Living with Dad as we speak. Far as we can tell, ALWAYS lived with Dad.

If he's legit as a ward and filed 1040A (we're verifying), he gets indep status and SNT, so no asset usage and big old aid eligibility. If he really ain't, Dad's income and 1040 filing status get used and he's no need.

Anyone come across one like this before? I've just never heard of a ward of the court declaration solely in conjunction with an inheritance issue (and that's what we've been told).

Advice? War stories? Tips on my lousy golfing game?

Sheriff Dave

David R. Gelinas ***********************************
Director of Financial Aid * When in doubt for an argument, *
University of the South * turn to statistics. They sound *
735 University Avenue * wise and very few people will do *
Sewanee, TN 37383-1000 * the arithmetic necessary to *
dgelinas@sewanee.edu * contradict you. (P. C. Johnson) *
****

Date: Mon, 30 Mar 1998 11:47:01 CST
From: Terri Powers <terrip@ECOM.UCA.EDU>
Subject: Re: Ward of the Court

Advice? Look at every document you can get your hands on.

War stories? Just had one who was "emancipated for the sole purpose of receiving federal and state financial aid" (Didn't fly with us)

Tips on my lousy golfing game? Follow through. (Sorry, couldn't resist).

Good Luck!!

Terri Powers
Associate Director, Financial Aid
University of Central Arkansas
Conway, AR 72035
e-mail address: terrip@ecom.uca.edu
telephone: (501) 450-5151

Date: Mon, 30 Mar 1998 10:44:29 -0700
From: "McGowan, Kent" <kmcgowan@CCU.EDU>
Subject: EFC Formula Book

I just got my 1998-99 EFC Formula Book in the mail. I checked BBS and couldn't find any of the EFC Formula Books. I also checked IFAP. They have the 97-98 book only. I thought publications were supposed to hit the websites prior to arriving by mail.

Kent McGowan
Director of Financial Aid

Colorado Christian University
180 S. Garrison St.
Lakewood, CO 80226
(303)202-0100 x116

Date: Mon, 30 Mar 1998 13:00:44 -0500
From: Moshe Pelberg <nirc@EROLS.COM>
Subject: edcaps/gaps

Dear Colleagues:

It has been a few weeks since the conversion from ED/PMS to EDCAPS/GAPS was halted. I haven't seen anything specific as to why it was halted, and when it might actually happen. Also, will it take the full 16 business days, or will it be less?

Thanks

Moshe Pelberg
Ner Israel Rabbinical College
Baltimore MD

Date: Mon, 30 Mar 1998 13:30:59 -0500
From: Tracy A Stih <stih+@ANDREW.CMU.EDU>
Subject: Students workers exempt from social security taxes

Hello fellow members,

I am new to this list serve and am not sure if you have covered this topic. Please help.

I received an article found in the Chronicle of Higher Education (I am not sure of the date or issue at the moment) that at least half-time students who are employed by their college do not have to pay social security taxes. First, I was wondering if this is true. Second, I need to tell you a bit about my situation to see if I can receive more money from my paychecks.

I am currently a graduate student with an assistantship at college "X." I am a full time student at college "Y." Since college "X" doesn't have my major, they hired me as an employee to work in an office related to my field of study. My graduate program considers this a paid assistantship. School "X" pays me for my work. I have been told that I am not exempt from social security taxes because I do not attend school "X." I have a friend who also attends school "Y" with me, and also works at school "X." He has school "X" (where he works) pay school "Y" for his work. School "Y" where he attends classes than pays him his salary each month. In the end, the school where he attends classes pays him his final paycheck. By doing this can my friend get out of paying social security taxes if I am understanding the new IRS ruling?

This is an option I would like to take in having my college of work pay
my college of study so I can receive a paycheck from where I attendclasses. As a graduate student I will take any help I can from the
government. If anyone can clarify this law or give me feedback on this
paying system I explained I would appreciate it.

Thank you,
Tracy Stih

Date: Mon, 30 Mar 1998 12:55:36 +0000
From: Robert Gamez <audi@KSU.EDU>
Subject: (Fwd) position announcement - Assistant Director

I"ve been asked to re-post the following position announcement for
Kansas State University:

Financial Aid: Assistant Director of Operations.

Responsibilities will include all EDE processes, some electronic transmission functions with the federal servicer for Direct Loans and with the guarantee agencies for FFELP. Additional responsibilities will include serving as liaison with local computing center, coordinator of computer tasks, some staff supervision, resolving complex regulatory or subjective problems, providing positive leadership for timely review and implementation of policies and procedures, effective presentation to on-and-off campus audiences and effective integration of enrollment management strategies into student financial aid functions.
Qualifications include: Bachelor's degree, and one-two years' work experience in student financial aid and demonstrated knowledge of student financial aid regulations, above average communications skills, and demonstrated proficiency in leadership and supervision. Experience with on-line financial aid computer system (FAMS) preferred.
Salary: $27,000 - $29,000. On and off resume references will be contacted. Submit letter of application , resume, and the names of three references by April 3, 1998 to Chair, Search Committee, Student Financial Assistance, 104 Fairchild Hall, Kansas State University, Manhattan, Kansas 66506.
Kansas State University is an equal opportunity employer. KSU actively seeks diversity among its employees.

Robert Gamez
audi@ksu.edu
Associate Director for Operations
Office of Student Financial Assistance
Kansas State University

Date: Mon, 30 Mar 1998 09:24:15 -0600
From: Frank La Giglia <flagigli@CHI.DEVRY.EDU>
Subject: DIRECTOR FINANCIAL AID

FINANCIAL AID DIRECTOR

DeVry Institue of Technology is a leader in providing quality career-
orientated
higher education in business and technology. We are seeking a results-
orientated individual with excellant leadership skills to supervise, train
and
develop the Chicago Financial Aid Department staff. Resposibilities
include
requesting and distibuting financial aid funds in compliance with federal,
state
and DeVry policies, procedures and regulations; default management;
managing Direct Loan and Illinois State Grant programs; and federal
reporting
and fund reconciliation.

The ideal candidate will have a Bachelor's degree plus a minimum of 5
years
management experience, preferably in financial aid at an institution with
enrollment of 3,000 students or more. Knowledge of Title IV regulation
and
compliance is essential, and familiarity with PC-based system (especially
POWERFAIDS) is strongly prefered.

This exciting opportunity includes a full benefits package. For
confidential
consideration, send resume and salary requirements to: DeVry Institute of
Technology, ATTN: Human Resources/FL-H, 3300 N. Campbell, Chicago,
Il 60618 or Fax: 773/348-1780.

Date: Mon, 30 Mar 1998 11:51:21 -0900
From: Peter Miller <PMiller@CHARTERCOLLEGE.ORG>
Subject: SEOG Funds

I would love to chat with someone, in a school capacity, about some
basic SEOG concepts (selection/awarding)...

I'll foot the bill if you'll send me a phone # to call...

I'm in Alaska and it's about noon here right now...

Thanks in advance.

Peter

Date: Mon, 30 Mar 1998 13:00:29 -0800

From: Joella Marie Kirschner <kirschne@PAUL.SPU.EDU>
Subject: POSITION AVAILABLE (fwd)

I was asked to resubmit this posting.

---------- Forwarded message ----------
Date: Fri, 27 Mar 1998 16:56:11 -0800
From: Joella Marie Kirschner <kirschne@paul.spu.edu>
To: FINAID-L@LISTS.PSU.EDU
Subject: POSITION AVAILABLE

PROGRAM MANAGER OF GRANTS AND SCHOLARSHIPS

Full-time, non-exempt staff position in Student Financial Services at Seattle Pacific University, Seattle, Washington

Responsibilities include: Manage all institutional, state, gift, private, and endowed scholarships; award funds; monitor student eligibility; provide monthly, quarterly and yearly reconciliation; report on expenditure levels; notify departments of scholarship funding levels; act as the liaison for SPU with outside agencies, e.g. State of Washington, Independent Colleges of Washington; manage the Pell Grant Program, Washington State Need Grant Program; create and maintain a procedure and policy manual for the scholarship programs; adhere to the deadlines for reporting and disbursing funds. Required qualifications include: four years of office experience; proficiency with Microsoft Office; basic knowledge of accounting. Preferred skills include: bachelor's degree' prior experience in private higher education; familiarity with financial aid and Title IV funding. Position will remain open until filled. Contact Seattle Pacific University Office of Human Resources at 206-281-2591.

As a religious educational institution operating under the auspices of the Free Methodist Church of North America, Seattle Pacific University is permitted and reserves the right to prefer employees on the basis of religion.

Date: Mon, 30 Mar 1998 16:16:40 -0500
From: Kathy Gay <kgay@BARNEY.SUFFOLK.EDU>
Subject: AmeriCorps

Is AmeriCorps treated as a resource? It is excluded from income on the FAFSA for the following year, but how is it treated for the year in which it is received? I thought I read somewhere that it is not a resource, but it's 89 degrees in my office and I'm pretty sure I've short-circuited for the day. Thanks.

Kathy Gay E-Mail: kgay@admin.suffolk.edu
Director, Law School Financial Aid Tel: (617) 573-8147
Suffolk University Fax: (617) 973-9869
41 Temple Street
Boston MA 02114

Date: Mon, 30 Mar 1998 12:24:32 -0900
From: Peter Miller <PMiller@CHARTERCOLLEGE.ORG>
Subject: I Need 2 boxes of 97/98 FAFSAs

If you have an extra box or two of 97/98 FAFSAs... I'd be more than happy to pay for shipping them.

Please drop me an email pmiller@chartercollege.org or phone 907-277-1000.

Thank you,

Peter Miller

Date: Mon, 30 Mar 1998 12:52:01 -0900
From: Peter Miller <PMiller@CHARTERCOLLEGE.ORG>
Subject: 97/98 FAFSA...DONE... Thank you

Thank you to all, I have 2 boxes of 97/98 FAFSAs on the way to Alaska.

Date: Mon, 30 Mar 1998 14:25:52 -0800
From: Fred Carter <fredcarter@EMAIL.MSN.COM>
Subject: Dependency Over ride and PJ - two shillings worth

Hi Folks,

I just finished reading all the posts to the list regarding dependency over ride and PJ. I should have done this prior to my post.

Had I done so I would have relabeled the subject PJ instead of dependency over ride and highlighted the part of the sentence of the post to which I was replying. I then would not have been misunderstood.

I spoke with a couple of folks off line and discovered a couple of things I thought might be worth sharing including the above.

Some folks have strong opinions (like some of us do ;) try to stay away from words or phrases in all caps - while you may think they are there for emphasis - others well might think you are shouting.

Liberal/Conservative - Financial aid folks are generally fiscal conservatives regardless of being political liberals or political conservatives. When you begin to label either yourself or others - conservative versus liberal, professional discussions can take on a larger life.

My posting about bottom line clerks came from a desire that had been previously mentioned. We fear the Feds will take away or limit further the use of pj. PJ is linked to our understanding of the regulations and the intent of congress. For some of us, pj defines us as financial aid professionals.

During my discussions, I came to grips with my thoughts about use of evidence of self support for a dependency over ride decision. I would not make the decision unless the parent/student relationship was tarnished for some reason. I would know that reason too and it would be documented. In making or not making dependency over ride decisions in my life as an aid administer most students received less gift-aid assistance as a consequence of being "made" independent.

When we had the ability to use pj for pell sometime prior to 92, there was a huge increase in Pell eligibility across the country. At my institution it was not because of dependency over rides but rather the many other pj decisions that are made considering unusual circumstances as well as the economy. However, I would love to know if anyone knows whether the increase in Pell that occurred was substantially due to dependency changes?

Fred Carter

Face miles of piles of trials (files?) with smiles.
In Search of the Lost Chord
Moody Blues

End of FINAID-L Digest - 29 Mar 1998 to 30 Mar 1998
****

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: "Tim Ransdell, Calif. Institute" <ransdell@calinst.org> ("Tim Ransdell, Calif. Institute" <ransdell@calinst.org> [UNKNOWN])

CREATION DATE/TIME: 2-APR-1998 23:52:41.00

SUBJECT: CI Cap Hill Bulletin - 4/2/98

TO: Bulletin Recipients <calinst@calinst.org> (Bulletin Recipients <calinst@calinst.org> [UNKNOWN])
READ:UNKNOWN

TEXT:
The California Institute For Federal Policy Research
California Capitol Hill Bulletin
Volume 5, Bulletin 12 -- April 2, 1998

Website: http://www.calinst.org
To view online: http://www.calinst.org/bulletins/bull512w.htm

CONTENTS OF THIS ISSUE:

REP. ESHOO ADDRESSES INSTITUTE'S ADVISORY BOARD

Rep. Anna Eshoo (Atherton) spoke Tuesday at the Institute's Advisory Board breakfast, co-hosted this month by GTE and the California Institute for Technology (CalTech). During the breakfast, Rep. Eshoo touched on a wide range of issues that affect the high-tech industry, as its Silicon Valley home lies within her 14th Congressional District. Ms. Eshoo praised the high-tech industry for being the engine of the state's economy and her district's contributions to bringing California out of its early 1990s recession.

Rep. Eshoo gave a brief history of the issue of securities litigation and current congressional consideration of a follow-up bill to the 1996 legislation. Ms. Eshoo also spoke of her work to increase research and development funding, specifically to double the budget of the National Institutes of Health (NIH) over the next five years, and she spent time describing the need to work beyond the concerns of the law enforcement community over encryption legislation. Finally, Rep. Eshoo discussed the impact of the global economy and recent trade agreements on the Democratic party.

BY NARROW MARGIN, HOUSE PASSES SUPPLEMENTAL FUNDING BILL

By a vote of 212-208, the House passed its $2.9 billion supplemental appropriations bill before heading home for the April recess. The bill contains $575 million to fund disaster assistance efforts as a result of El Ni¤o, and about $1.8 billion for military operations in the Persian Gulf and Bosnia. The House, however, did not add the $17.9 billion that the Senate bill contains for the International Monetary Fund (see Bulletin, Vol. 5, No. 11 (3/26/98)). Moreover, the House bill offset the increased funding by cutting an equal amount from other programs. The cuts come out of the Section 8 housing program ($2.2 billion), AmeriCorps ($250 million), airport grants ($366 million), and bilingual education programs ($75 million). These offsets have elicited a veto threat from the White House, and account for the tight vote, which could not withstand a veto.

The House also did not include $1.6 billion for the Federal Emergency Management Agency to respond to further expected damages from El Ni¤o this summer. The Senate did include the FEMA money in its bill, and House Appropriations Chairman Bill Livingston (LA) has indicated he will agree to include it in the conference agreement, but he wants it offset by further cuts in other programs.

California is expected to receive at least $200 million of the supplemental, once it is enacted.

FOUR CALIFORNIANS TO SERVE ON ISTEA CONFERENCE; BESTEA STEERED SMOOTHLY THROUGH THE HOUSE

Representatives Bob Filner (San Diego), Jay Kim (Diamond Bar), Steve Horn (Long Beach), and Senator Barbara Boxer were appointed on Wednesday night to represent the House and Senate respectively in negotiating a renewal of the nation's transportation laws (last fall's temporary extension will expire May 1st). California's representation on the conference committee, with four appointees out of the 36 appointed, will be proportionate to the state's share of the nation's population. Earlier this week, the California House Republican and Democratic delegations, respectively, sent letters to the House party and committee leadership to request that Californians serve on any and all conference committees formed to negotiate ISTEA reauthorization legislation. All of the state's 28 Democrat and 22 Republican House members, the largest state delegation in Congress, signed their respective party letters. Each letter noted California's large contribution to the highway trust fund (the largest in the nation at roughly 10% of all contributions) and the state's large and varied transportation needs as reasons for appointing Californians to the conference.

Earlier on Wednesday, after consideration of several amendments, the House passed its $218.3 billion highway and transit reauthorization measure, H.R. 2400 or BESTEA (Building Efficient Surface Transportation Equity Act), by a 337-80 vote.

Thirty-nine of the 50 serving members (2 vacant seats) of the California congressional delegation voted for the measure.

California would receive about $19 billion over six years under BESTEA and, in addition, the state would receive a share of federal dollars distributed for other discretionary highway and transit projects and programs. California would get 9.19% of the $27 billion funds annually allocated for highways and high-priority projects. Under the old ISTEA law, California received about 9.13% of those same funds. Not counting the high-priority projects, California would receive about 9.18% of the highway funds; however, the state received 9.33% under the original ISTEA law. In comparison to the 1991 law, California would receive about 10.42% of the $9.3 billion in BESTEA for high-priority projects, under ISTEA the state had received almost 6% of the highway demonstration projects.

Key in negotiations between the two houses will be the overall level of funding for highways and transit, whether to take the highway trust fund off-budget, and whether to establish a nationwide .08 blood-alcohol level standard. The House bill would provide $181.6 billion for highways and $36.7 for transit; the Senate bill would give $173 billion for roads and $41.3 billion to transit. According to Rep. Kim's office, California would receive about $1 billion dollars more under the House bill than under the Senate measure. Under the House bill ($15.3 billion), there is about $1 billion more for allocation under the highway formula funds than in the Senate ($14.3 billion). A list of California project proposals is available at http://www.calinst.org/pubs/BESTEAprojects.htm.

Watch for conference committee action during the week of April 21st after Congress returns from its spring recess.

FEDS SPENT $161 BILLION IN CALIFORNIA DURING 1997, BUT STATE SHARE FELL

During the 1997 fiscal year, California's share of federal spending declined to 11.4% of the U.S. total from 11.6% the year before. Total federal spending in the state rose from $157.4 billion in FY1996 to $160.9 billion in FY1997. But federal spending in all states climbed more rapidly, from $1.36 trillion to $1.42 trillion over the same period, leaving California's 1997 share less than the year before.

The primary cause for the decline was a drop in procurement spending in the state which exceeded the rate of decline in national procurement spending. Nationwide, procurement (two-thirds of which is defense contracts) fell from $181 billion in 1996 to $173 billion last year. Of those amounts, California won $27.7 billion in 1996, but just $26.2 billion in 1997.

The decline in share of spending is an indicator that California may again have been even more of a donor state in 1997. State-level figures for federal tax burden will not be available for a few months, but California's recovering economy can be expected to generate significant income tax revenue for the federal treasury last year. If so, California taxpayers' balance of payments deficit the extent to which federal taxes paid exceed federal spending in the state could rise well above last year's $10 billion level.

The state-by-state report, entitled "Federal Expenditures by State for FY 1997" is available from the Census Bureau's website in Adobe Acrobat format (78 pages) at http://www.census.gov/ftp/pub/prod/3/98pubs/fes-97.pdf. Related county level spending information is available at http://www.census.gov/govs/www/cffr97.html.

HOUSE JUDICIARY MARKS UP BIOMATERIALS LIABILITY BILL

On Wednesday, the House Judiciary Committee favorably reported H.R. 872, The Biomaterials Access Assurance Act of 1998 by voice vote. The bill makes it easier for suppliers of materials used in the manufacture of medical devices to be dismissed from medical malpractice suits brought against manufacturers and others, if their materials met the manufacturer's specifications. Before reporting the bill, however, the Committee approved an amendment by voice vote that will ensure that negligent or intentionally tortious suppliers can be brought back into a case if subsequent evidence warrants it.

Proponents of the bill argue that many suppliers are getting out of the business of biomaterials because of the expense of defending against unfounded malpractice claims. H.R. 872, introduced by Rep. George Gekas (PA), has been co-sponsored by half the California congressional delegation.

The bill has also been referred to the House Commerce Committee for consideration.

SENATE COMMITTEE APPROVES HIGHER EDUCATION ACT RENEWAL PLAN

On Wednesday, the Senate Labor and Human Resources Committee considered legislation, S.1882, to extend the nation's laws governing higher education. Last month, the House finished committee work on its mesure, H.R. 6, which is awaiting consideration by the full House. S.1882 is also now ready to be considered on the Senate Floor.

Much of the debate surrounding reauthorization of the Higher Education Act of 1965 (HEA) has focused on the federally regulated interest rate charged for student loans. The HEA encompasses both the federal government's major student aid programs and various institutional aid programs. Under the HEA, the guaranteed loan program (FFELP) provides roughly 2/3 of the total student loan volume, while direct loans made by the federal government provide the remaining third. In 1993, under the Student Loan Reform Act, Congress changed the base used to set the formulas that determine student loan interest rates. The change is scheduled to take effect July 1, 1998.

However, commercial lenders who provide the guaranteed loans, say the new interest rate will make the market unprofitable for private lenders. In a bipartisan compromise adopted by both the Senate Committee and the House Education and Workforce Committee, Congress would reset the base for the student loan interest rate to 7.43 percent during repayment. The compromise also would provide between $1.2 to $3.8 billion in subsidies to return a 7.93 percent interest rate to private lenders in the hope of maintaining their participation in the lending market. Several lawmakers and private banks are still not satisfied with the rate reduction compromise. Some believe the commercial subsidies are unwarranted. Commercial lenders say the interest rates, even with the subsidy, are still too low to be profitable.

The Senate Labor and Human Resources Committee adopted the House Committee's plan for student rates, but also approved several additional amendments to the HEA. Among others, the Senate Committee approved a $25,000 penalty if an institution fails to provide required information on school costs, and expanded grants for schools with high enrollments of American Indians and Hispanics. While the House measure would create competitive state block grants for teacher training funds, S. 1882 would strengthen the teacher training requirements.

HOUSE JUDICIARY REPORTS OUT COPYRIGHT TREATY AND LIABILITY BILL

The House Judiciary Committee favorably reported by voice vote H.R. 2281, the WIPO (World Intellectual Property Organization) Copyright Treaties Implementation Act, after merging into it H.R. 3209, the On-Line Copyright Infringement Liability Limitation Act. H.R. 2281 will bring U.S. copyright law into compliance with the WIPO Copyright Treaty and WIPO Performances and Phonograms Treaty agreed to in Geneva, Switzerland on December 20, 1996. The bill bans the manufacture and sale of products intended to circumvent technological protection devices, such as encryption, intended to protect copyrighted materials. It also creates a cause of action against anyone who provides or distributes false copyright management information with the intent to induce or conceal infringement.

Before including H.R. 3209 in the WIPO bill, Rep. Robert Goodlatte (VA) stated that on-line service providers, copyright holders in the entertainment industry, and congressional negotiators had reached a compromise on the limited liability for providers contained in the bill. The language of the compromise had not yet been drafted, however, so the Chair stated that a Manager's Amendment to the bill containing the compromise language would be offered when the bill reached the House floor. With that assurance, several Committee members indicated they would support the bill.

SENATE JUDICIARY LIFTS CAP ON SKILLED WORKER VISAS

On Thursday, the Senate Judiciary Committee adopted S. 1723, by a vote of 12-6, which raises the cap on the number of H-1B visas that can be issued for the admission of skilled immigrant workers from 65,000 to 95,000. The bill also sets the length of the visas at six years, and will allow unused visas from other categories to be shifted to the H-1B program. The bill responds to the plight of high technology companies, many California-based, that argue they have thousands of unfilled jobs available because they cannot find trained employees in the United States.

Before reporting the bill, the Committee defeated an amendment, 8-10, offered by Sens. Dianne Feinstein and Edward Kennedy (MA) that also would have raised the cap to 90,000, but would have limited the visas to three years, and require U.S. companies to attest to the fact that they had not laid off an employee in order to hire the immigrant worker. The Abraham bill also establishes 20,000 scholarships for low-income U.S. students to study math, engineering and computer science.

In a related development, Rep. David Dreier (Covina) and eight other members, including Reps. Tom Campbell (Campbell) and Jim Rogan (Glendale), sent a letter to Vice President Gore last week asking him to join with them in drafting bipartisan consensus legislation to allow more H-1B workers into the United States.

MPAA'S JACK VALENTI ADDRESSES GOLDEN STATE ROUNDTABLE LUNCHEON

Motion Picture Association of America (MPAA) President JackValenti spoke on Tuesday to California delegation members, Washington representatives of companies and universities, and the California Institute at the Golden State Roundtable lunch. Mr. Valenti called on the state's congressional delegation to work in a bipartisan fashion to enhance and protect the significant role the entertainment industry plays in fueling California's economy. California is the world leader in the industry because of its well-developed infrastructure which attracts the world's talent to its borders.

Employment in the entertainment industry is outpacing the nation's employment rate three-to-one, said Mr. Valenti, stressing the importance of the California-based industry to the national economy. The demand for the industry's products is at an all time high, he said, noting that the average America spends as many as nine hours a day using the industry's various products. Movies alone account for a $4 billion trade surplus. According to the MPAA's web site, U.S. films are shown in more than 150 countries worldwide and American television programs are broadcast in over 125 international markets.

Mr. Valenti also discussed legislation concerning the entertainment industry. In particular, he suggested that the U.S. should expand copyrights to match the extended copyrights of European nations; continue its fight against worldwide piracy; and, expand intellectual property right protection by enacting the WIPO copyright treaties agreed to in Geneva in 1996 (see article below). He also stressed the necessity of other countries enacting and enforcing similar penalties for copyright infringements.

Visit the Institute's website for updates on legislation regarding encryption, copyrights, and trade at http://www.calinst.org. For more information on the MPA, visit their web site is at http://www.mpaa.org.

48 CALIFORNIANS SIGN R&D TAX CREDIT LETTER

Continuing the bipartisan force exerted last year, 48 members of the California congressional delegation signed a letter to the leaders of the House Ways and Means Committee urging an extension of the R&D tax credit (formally known as the Research and Experimentation Tax Credit). The credit expires on June 30 of this year. The letter also expresses the delegation's support for making the credit permanent, rather than having to rely on sequential one-year extensions. The letter recognizes the importance of this credit to California's biotech and information technology companies, whose research spending has increased from $10.5 billion to $64.2 billion since the credit was first enacted in 1981. Last year's R&D letter was signed by 39 members of the delegation.

DELEGATION SENDS OUT LETTER SUPPORTING BAY-DELTA FUNDING

Forty-two members of the California congressional delegation signed a letter to Energy and Water Appropriations Chairman Joe McDade (PA) supporting full funding of this year's $143 million federal allocation for the restoration of the Bay-Delta estuary. The letter notes that to date over 70 Bay-Delta restoration related projects have been identified for combined state, local, and federal funding of over $85 million. Last year, Congress appropriated $85 million of the $143 million in authorized funding for the project.

A few members of the delegation, however, including Rep. Richard Pombo (Tracy), have expressed concerns with the proposed draft alternatives for restoring the estuary, especially the impact on agriculture. In a letter to House Budget Committee Chairman John Kasich, Rep. Pombo opposed providing any more funds for Bay-Delta because the alternatives propose converting 150,000 acres of farm land to environmental habitats, and do not adequately provide for water storage.

POWER DEREGULATION BEGINS IN CA, HOUSE PANEL EXAMINES EFFECTS ON R&D

On the same day that competition formally came to California's electricity industry, the House Science Subcommittee on Energy and the Environment held a hearing to discuss possible changes in research and development funding for energy and the role of the federal government in funding electricity research.

According to the Committee's background report, under a regulated electricity industry, most states allowed utilities to designate a portion of their rates for R&D on a variety of projects. According to the GAO, since 1993, there has been an overall drop in the level of R&D funding by utilities (about 30%), DOE (roughly 3%), and in most states (about 30% as reported). Victor Rezendes, from the GAO, said utilities are reducing R&D spending as part of overall cuts in order to prepare for deregulated electricity markets. In the same manner, Congress has reduced funds for DOE research to reduce the size of the federal budget. In addition, utilities are shifting R&D dollars toward applied research -- high-payoff, short-term, low-risk projects, and away from longer-term, high-risk, collaborative projects usually built on basic research. Overall, Mr. Rezendes said it is unclear what will be the economic consequences of funding changes.

David Rohy, Vice Chair of the California Energy Commission, said he is confident that deregulation will enhance private R&D spending, but at risk is long-term, pure research which will continue to need public funding. Mr. Rohy said he is cautiously optimistic, but believes federal and state governments should continue support of the research phases of R&D, but allow private companies to dominate development R&D phases.

On Tuesday, California became the first state to fully implement competition into electricity generation, said Subcommittee Chairman Ken Calvert (Corona). California is supporting R&D in its deregulated market, through a surcharge on consumer's bills to put an annual $62 million into a four year fund. The state has established the PIER program (Public Interest Energy Research) to advance science and technology not provided for by regulated and competitive markets. Mr. Rohy believes the federal government should be an active, collaborative partner with the private sector and other public agencies to reduce duplication, ensure adequate funding levels, and share the benefits of energy research. The Clinton Administration's national deregulation plan proposes a similar, but already controversial, approach to funding R&D by creating a $3 billion public benefit trust (PBF) for states to fund renewable energy and energy efficiency research.

Also testifying at the hearing were Dr. Robert Hirsch from Applied Power Technologies, Mr. Kurt Yeager from the Electric Power Research Institute, and Dr. Robert Shaw from Aret? Incorporated. Testimony is available on-line from the House Science Committee's website at http://www.house.gov/science/hearing.htm#Energy_and_Environment. California's Public Utility Commission also has a web site on California's electricity restructuring at http://www.cpuc.ca.gov/elec.shtml.

PENTAGON FORMALLY ASKS CONGRESS FOR MORE BASE CLOSURES

Despite disagreement from most Members of Congress, Defense Secretary William Cohen on Thursday presented a report to Congress arguing for two more base closure rounds on top of the four prior rounds. In "The Report of the Department of Defense on Base Realignment and Closure," the Pentagon claims that past closures will save billions but that more are still needed. California was particularly hard hit by the prior closures. Despite housing only 15% of the nation's military personnel before the closures began in 1988, California shouldered 60% of the nation's net personnel reductions from the first four closure rounds.

The Pentagon report claims that: "Annual recurring savings in the post implementation period for each round should approximate $1.7 billion in FY99 dollars." However, data presented in an appendix to the report indicates that it takes more than seven years before the savings associated with base closures begin to outweigh the costs of closing the bases. For example, the report estimates that the 1993 BRAC round will have cost $7.7 billion and saved $7.5 billion over the six years from FY94-99. Likewise, for the six years following the 1995 BRAC round, the closures will have cost $7.3 billion and saved $5.9 billion. DOD concludes, however, that prior BRAC rounds will produce annual recurring savings of $5.6 billion, and speculates that similar savings would be achieved through any future rounds.

While not singling out any facility for proposed closure, the Pentagon was required to include a list of its existing unclassified installations within the U.S. with more than 300 personnel. Of these facilities, 42 are in California.The list includes seven California Army facilities -- a Regional Support Command, the District Engineer Office in Sacramento, Fort Irwin, Oakland Army Base, the Presidio of Monterey, Sacramento Armory, and the Sierra Army Depot.

The list also includes fifteen Navy facilities in California, including five with San Diego in the title (an Engineering Field Division, a Fleet Industrial Supply Center, Fleet Technical Support, a Naval Medical Center, and the Naval Base-San Diego), as well as the Military Sealift Command Pacific, Naval Air Stations at Lemoore and North Island, the Naval Air Warfare Centers at China Lake and Point Mugu, the North Island Naval Aviation Station, Camp Pendleton Naval Hospital, and three facilities at Port Hueneme (Naval Civil Engineering Center, Naval Construction Battalion Center, and Naval Facilities Engineering Service Center).

Seven Air Force Bases were noted: Beale, Edwards, Los Angeles, March, McClellan, Travis and Vandenberg. Five Marine Corps installations were also mentioned, including the Air Ground Combat Center at Twentynine Palms, Marine Corps Air Stations at El Toro and Miramar, Marine Corps Logistics Base at Barstow, and the Camp Pendleton Marine Corps Base. Finally, the report listed eight Defense Agency and Field Activity installations, including Defense Distribution Depots at San Diego, McClellan, San Joaquin and Tracy, the El Dorado Defense Contract Management District, the San Bernardino Operating Location, and the San Diego Defense Finance and Accounting Operation Location.

A complete copy of the report is available at: http://www:defenselink.mil/pubs/brac040298.pdf. Be advised, however, that this 159-page document is more than 1 megabyte in length. A Pentagon press release is available at: http://www.defenselink.mil/news/Apr1998/b04021998_bt145-98.html.

ITC IMPOSES ANTI-DUMPING DUTIES ON TAIWANESE CHIPS

The International Trade Commission (ITC) announced on Thursday that Taiwan was dumping Static Random Access memory (SRAM) computer chips on the U.S. market and that the U.S. industry was being materially injured by it. As a result, anti-dumping duties, ranging from 7.59 percent to 113.85 percent, will be imposed on Taiwanese chips. At the same time, however, the ITC found that imports of South Korean chips at below market prices were not harming U.S. companies, and therefore no duties would be imposed on those chips.

To expand communications between Washington and California, the California Institute provides periodic faxed bulletins regarding current activity on Capitol Hill which directly impacts our state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods. The e-mail edition is made possible in part by a computer server donation from Sun Microsystems.

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RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: USSA Erica Adelsheimer <ussaleg@essential.org> (USSA Erica Adelsheimer <ussaleg@essential.org> [UNKNOWN])

CREATION DATE/TIME:16-APR-1998 14:08:36.00

SUBJECT: Legislative Report 14 4/16/98

TO: "U.S. Student Association" <ussa@essential.org> ("U.S. Student Association" <ussa@essential.org> [UNKNOWN])
READ:UNKNOWN

TEXT:
Legislative Report 14
April 16, 1998

This report contains an update on Reauthorization of the Higher Education Act (including campus safety and campus child care), FY99 Appropriations, and Affirmative Action. Those of you at USSA member schools will receive the Reauthorization update in the form of a side-by-side comparison chart as part of our April mailing. For more information on any of the issues highlighted in this report, please contact the USSA office at 202-347-8772.

REAUTHORIZATION
Both the House Education and the Workforce Committee and the Senate Labor and Human Resources Committee have completed action on their proposals for reauthorization of the Higher Education Act. The House Education and the Workforce Committee asked that the full House consider their bill (H.R. 6) on April 22, but the date may be pushed back. The Senate bill (S. 1882) is expected to go to the Senate floor in late April or May. Both Committees indicated that various controversial issues would be resolved on the floor, so we can expect to see a number of amendments and some lively debate when the bills are brought before the full House and Senate. Students need to play an active role in influencing that debate, in guaranteeing that student benefits included in the bills are preserved, and in promoting additional necessary changes to ensure opportunity and access.

House Bill (H.R. 6)

GRANT AID

1) Expanding Access to Grants
Increases amount independent students can earn without losing Pell and other grant money to $5,500. (Under current law, independent students who earn more than $3000/year see significant reductions in their Pell awards). Increases the amount a dependent student can earn through work without being penalized for saving money to $3,000. (Under current law, dependent students who earn more than $1,750/year receive reduced Pell and

other grant awards, thus deterring these students from working to save money for college.) These changes are referred to as changes in the Income Protection Allowance or IPA. (Because of strong grassroots pressure dedicated to this issue last year, in October of 1997, for academic year 1998-99 only, Congress voted to raise the IPA to $4,250/year for independent students and to $2,200 for dependent students.)

2) Expanding Access to Pell Grant Aid for Student-Parents
Increases the allowance for child care expenses in a student's cost of attendance from $750/year to $1500/year. Increasing this allowance allows student-parents to receive larger Pell grants.

3) Graduate Grant Aid
Consolidates graduate fellowships into one program (Graduate Assistance in Areas of National Need), thereby eliminating the unique purposes of the Harris grant (a grant for women and people of color) and the Javits fellowship (grant aid for humanities students).

4) State Matching Grant
Creates the Special Leveraging Educational Assistance Partnership Program (SLEAP) to strengthen the State Student Incentive Grant (SSIG). For appropriations for the program above $25 million, states are required to contribute $3 for every $1 from the federal government. Allows states greater flexibility in the use of funds.

LOANS
1) Reducing Interest Payments on Student Loans
Reduces interest rate for students to 6.8% while in school and 7.4% during repayment (a 0.8% reduction from current rates). Does not include language for reduction of rates for FFEL consolidation loans.

2) Reducing Origination Fees
Fails to reduce "origination fees," fees paid by students to take out a loan..

WORK STUDY
1) Allows for compensation for time spent in training or travel for community service or family literacy/tutoring jobs.

EARLY INTERVENTION
1) Authorizes High Hopes initiative. Creates new program to provide grants to colleges forming partnerships with middle-schools that have large concentrations of children from low-income families. College students would act as mentors and tutors to 6th through 12th graders, to let them know college is within reach and to prepare them to enter and succeed in higher education.

CAMPUS-BASED CHILD CARE
1) Creates new program, authorized at $30 million, to provide grants to colleges to help them start campus-based child care programs.

CAMPUS SAFETY
1) Expands campus crime reporting to include crimes of manslaughter,

larceny, arson, liquor law violations, drug-related violations, and weapons possession. Requires that campuses report incidents reported to local police agencies, disciplinary officers, athletic department personnel, and "campus officials who have direct administrative responsibility for student or campus activities." Requires campus police to maintain an open daily crime log. Fails to authorize funds for crime prevention.

Senate Bill (S. 1882)

GRANT AID

1) Expanding Access to Grants
Maintains, but does not expand, increases in Income Protection Allowances set for academic year 1998-99 ($4,250 for independent students and $2,200 for dependent students) for succeeding years.

2) Expanding Access to Grant Aid for Student-Parents
Allows institutions to determine the cost of dependent care expenses and include that amount in calculating a student's eligibility for Pell grants.

3) Graduate Grant Aid
Folds Harris grant for women and people of color into the Graduate Assistance in Areas of National Need Programs, but maintains the Javits program (for humanities students) as its own entity.

4) State Matching Grant
Creates the Leveraging Educational Assistance Partnership Program (LEAP). For appropriations for the program above $35 million, states must contribute $2 for every $1 from the federal government. Allows states greater flexibility in the use of funds.

LOANS
1) Reducing Interest Payments on Student Loans
Same as House bill.

2) Reducing Origination Fees
Fails to reduce origination fees.

WORK STUDY
1) Expands the definition of work-study employment to include internships or research assistantships.

EARLY INTERVENTION
1) Fails to authorize funding for the High Hopes initiative.

CAMPUS-BASED CHILD CARE
1) Creates new program, authorized at $60 million, to provide grants to colleges to expand existing campus child care programs or start new programs.

CAMPUS SAFETY
1) Expands campus crime reporting to include crimes of manslaughter and arson. Requires that when a crime of homicide, manslaughter, sex offense, robbery, aggravated assault, burglary, motor vehicle theft, or arson evidences prejudice based on race, gender, religion, sexual orientation, ethnicity, or disability (e.g. hate crimes) it be reported according to the category of prejudice. Also requires reporting of hate crimes of vandalism or simple assault. Requires campus police to maintain an open daily crime log, but specifies that provision of the information can not jeopardize confidentiality of the victim. Authorizes $1 million for baseline study on sexual assault on campus.

USSA Position

GRANT AID

1) Expanding Access to Grants
USSA believes the IPA for independent students should be raised to $6500 and $4000 for dependent students. The House bill will help expand access to aid, whereas the Senate bill will leave hundreds of thousands of independent students shut out of the Pell grant program and will continue to punish dependent students who work to earn money for college.

2) Expanding Access to Pell Grants for Student-Parents
USSA believes both the House and Senate bills will help student parents access grant aid. USSA believes the Senate bill may help allocate resources more effectively.

3) Graduate Grant Aid
USSA opposes the consolidation of the graduate education programs. USSA believes the unique purposes of both the Harris program and the Javits program need to be maintained.

4) State Matching Grant
USSA supports the strengthening provisions contained in both bills.

LOANS
1) Reducing Interest Rate Payments
USSA supports the provisions for a 0.8% reduction in student loan interest rates. The reduction, promised to students in 1993, will save students billions of dollars. Congress must also ensure that interest rates are reduced for students who consolidate their loans.

2) Reducing Origination Fees
USSA believes origination fees should be eliminated. These fees unjustly allow lenders to retain 4% of the amount of a student's loan, while the students is still required to pay interest on the entire loan. USSA was disappointed that neither the House or Senate bill included provisions to reduce or eliminate these fees.

WORK STUDY
USSA supports the provisions in both the House and Senate bills. Both provisions will expand access to work-study and more justly compensate

students. Both provisions should be incorporated into the final conference version.

EARLY INTERVENTION

USSA strongly supports the High Hopes initiative. USSA believes programs to create partnerships between colleges and low-income middle and high schools will significantly aid in efforts to expand access to education by providing these younger students with the human and informational resources they need.

CAMPUS-BASED CHILD CARE

USSA was pleased that both the House and Senate bills authorize the creation of a new program to support campus-based child care. USSA favors the Senate bill's provision as it authorizes twice the amount as authorized in the House bill and allows more flexibility in the distribution of the grants.

CAMPUS SAFETY

USSA strongly supports the Senate bill's provision for requiring the reporting of hate crimes and for authorizing funds for a baseline study on campus sexual assault. USSA believes neither the House nor the Senate bill goes far enough in ensuring the accuracy of crime statistics or in ensuring student access to those statistics, but was pleased that the Senate bill attempts to ensure victim confidentiality. USSA was disappointed that neither bill provides funds for crime prevention.

AFFIRMATIVE ACTION IN SERIOUS JEOPARDY!

When the full House of Representatives votes to reauthorize the Higher Education Act, Representative Frank Riggs (R-CA) almost certainly will offer an amendment that would ban affirmative action in ALL college and university admissions. The misnamed "Anti-Discrimination in College Admissions Act of 1998" (HR 3330) would prohibit any college or universities that receives federal funds from using affirmative action in its admissions process.

Before the House vote, students must impress upon their legislators the need for maintaining affirmative action programs.

Why affirmative action programs are still necessary:

Affirmative action programs

% establish equal opportunity for women and people of color

% redress gender, racial, and ethnic discrimination

% encourage diversity in the workplace and educational institutions

% encourage people in power to seek merit in untraditional places, rather than continuing to make choices out of old habits, which results in excluding certain groups

Affirmative action programs make a difference

% In 1982, only 17.5% of all undergraduates were students of color. In 1994, 24% of all undergraduates were students of color, representing a 6.5% increase.

% Without affirmative action, the numbers of students of color at universities will decline significantly. In the absence of an affirmative action admission process, offers to African American and Latino students in the University of California system plunged to the lowest levels in 15 years. Of the 8,000 students who were offered admission to the University of California at Berkeley, 191 were African American, down from 562 last year. A total of 434 Latino students were offered admission, down from 1,045 last year.

% A 1996 study of 300 campuses found that racially mixed student populations have positive effects on retention, overall college satisfaction, college grade point average and social self-esteem.

ACTION! ACTION! ACTION!:

1) Call your Representative and urge her or him to oppose the Riggs amendment (HR 3330). Call the Capitol Switchboard at (202)225-3121 to be connected with your Representative's D.C. office.

2) Schedule a lobby visit with your Representative or the legislative assistant working on education issues in your Representative's district office.

3) Write an opinion-editorial (op-ed) for your campus paper. Op-eds or articles in your campus paper are a great way to reach out to the broader campus community, to educate the community, and to urge students, faculty and staff to activism. Campus papers are also read by legislators and their staff!

If you have any questions, would like more information, or would like a copy of a non campus-specific op-ed to submit to your campus paper call USSA at (202) 347-8772.

FISCAL YEAR 1999 APPROPRIATIONS
FUNDING FOR ALL HIGHER EDUCATION PROGRAMS THREATENED!

While we have done an excellent job, thus far, in promoting student benefits in the House and Senate reauthorization bills, we must keep in mind that many of these changes will not take effect unless Congress prioritizes education funding. Without adequate money for higher education programs, students will continue to be denied access to college.

Right now Congress is about to make major decisions on federal budget priorities that will determine the level of the federal investment in education. The early signs are that Congress is about to make some very bad decisions. Already, Congress has voted to increase spending on transportation and defense, while at the same time preparing to cut spending on education. On April 2, when the full Senate considered the Senate Budget Resolution (which generally does not designate program-by-program funding, but which outlines spending priorities by area), Senators Murray (D-WA), Kennedy (D-MA), and Mosley-Braun (D-IL) each offered amendments to increase funding for education. However, none of their amendments passed. The final version of the Senate Budget Resolution (S. Con. Res. 86) (passed by a vote of 57-41) would force CUTS IN EDUCATION AND RELATED PROGRAMS OF $1.1 BILLION!

The House Budget Committe plans to mark-up the House Budget Resolution after Congress returns from its Easter recess (April 21). We must make sure members in the House, particularly House Budget Committee members, understand that the Senate's funding priorities are simply unacceptable and that more funding must be reserved for education. (See USSA 1998 Access manual for list of Budget Committee members, and their phone, fax, and email addresses.)

Unless we reverse the current trend, existing education programs will suffer tremendously and new initiatives will be mere ideas on paper. Students must tell Congress to stop the squeeze on eduation funding!

Call Your Representatives and Senators Today! Tell Them Students Are Counting on Them To Provide:

% Significant increases in the Pell grant and other grant programs

% Funding for the High Hopes/ College-School Partnership initiative

% Reductions in the cost of student loans

TO CONTACT YOUR LEGISLATORS,
CALL THE ALLIANCE TO SAVE STUDENT AID HOTLINE AT 1-800-574-4AID

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CREATION DATE/TIME:21-APR-1998 19:01:09.00

SUBJECT: 1998-04-21 Investing in the Future of Our Children

TO: Public-Distribution@[198.137.240.100] (Public-Distribution@[198.137.240.100] [UNKNOWN])
READ:UNKNOWN

TEXT:

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release April 21, 1998

PRESIDENT BILL CLINTON:

SCHOOL MODERNIZATION: INVESTING IN OUR CHILDREN'S FUTURE

The Rose Garden
April 21, 1998

"Senator Moseley-Braun has offered an amendment in today's education bill that will help communities raise the funds to modernize 5,000 public schools. If we want our children to be prepared for the challenges of the 21st Century, then they must have 21st Century schools. I urge Congress to adopt this amendment right away. This is the right way to strengthen education in America."

President Bill Clinton
April 21, 1998

Today, President Clinton and Vice President Gore meet with Senator Daschle and Representative Gephardt to discuss upcoming legislative priorities for the remaining weeks of the 105th Congress. At the top of these priorities is education. After this meeting, the President will call on the Senate to adopt the School Modernization Amendment, an essential step for ensuring adequate support for school modernization.

A Moment For Action. Today, the Senate considers the Moseley-Braun School Modernization Amendment to H.R. 2646, the Education Savings Act for Public and Private Schools. The vote is critical in determining whether this Congress will act to provide adequate support for school modernization. With only a few working days left in this session, this is the best remaining opportunity for the Senate to ensure that communities get the resources they need to enable our students to learn in safe, modern, well-equipped schools.

Addressing A Nationwide School Facilities Crisis. The School Modernization Amendment addresses a nationwide school facilities crisis. This year, the American Society of Civil Engineers gave our schools an "F" in its infrastructure report card, worse than in roads, bridges, mass transit and every other category of investment. One third of all our schools need major repairs. More than one half have major building problems. The School Modernization Amendment is especially necessary now, because:

The inventory of repair needs is large and growing. The General Accounting Office (GAO) estimated that the cost of bringing the nation's schools into "good overall condition" was $112 billion. The amendment will help states and communities stretch their education investments.

The problem is getting worse as enrollment surges. The National Center for Education Statistics projects that elementary and secondary enrollments will swell from 52.2 million in 1997 to 54.4 million in 2006. States and communities must act now to accommodate the larger number of students.

The condition of schools is related to student achievement. A growing body of research links student achievement and behavior to the physical building conditions and overcrowding. The amendment will help modernize 5,000 schools and strengthen educational opportunity for all children.

Fighting For America's Working Families. The School Modernization Amendment replaces current education IRA provisions in H.R. 2646 that would reward wealthier families who would send their children to private school with or without this subsidy. The IRA provisions do nothing to fix school buildings and build new ones at a time when public schools face record enrollment for years to come. This amendment creates a smart, effective investment that helps states and communities do more with less, by leveraging our money through zero-interest bonds for states and school districts to issue to finance capital improvements.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

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CREATION DATE/TIME:21-APR-1998 13:41:19.82

SUBJECT: 1998-4-21 remarks on 1998 legislative agenda

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TO: Brenda M. Anders (ANDERS_B) Autoforward to: Remote Addressee (Brenda M. Anders@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Eli G. Attie (ATTIE_E) Autoforward to: Remote Addressee (Eli G. Attie@OVP@EOP@LNGTWY@EOPMRX) (VPO)
READ:NOT READ

TO: Patrick Aylward (AYLWARD_P) Autoforward to: Remote Addressee (Patrick

Aylward@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Robin J. Bachman (BACHMAN_R) Autoforward to: Remote Addressee (Robin J. Bachman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Kyle M. Baker (BAKER_K) Autoforward to: Remote Addressee (Kyle M. Baker@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Karen L. Barbuschak (BARBUSCHAK_K) Autoforward to: Remote Addressee (Karen L. Barbuschak@EOP@LNGTWY@EOPMRX) (OA)
READ:NOT READ

TO: Beverly J. Barnes (BARNES_BJ) Autoforward to: Remote Addressee (Beverly J. Barnes@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Brian A. Barreto (BARRETO_B) Autoforward to: Remote Addressee (Brian A. Barreto@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Mark H. Bartholomew (BARTHOLOME_M) Autoforward to: Remote Addressee (Mark H. Bartholomew@eop@lngtwy@eopmrx) (OA)
READ:NOT READ

TO: Todd A. Bartholow (BARTHOLOW_T) (OA)
READ:NOT READ

TO: David S. Beaubaire (BEAUBAIRE_D) Autoforward to: Remote Addressee (David S. Beaubaire@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Mark J. Bernstein (BERNSTEIN_MJ) Autoforward to: Remote Addressee (Mark J. Bernstein@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Marsha E. Berry (BERRY_ME) Autoforward to: Remote Addressee (Marsha E. Berry@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Antony J. Blinken (BLINKEN_A) Autoforward to: Remote Addressee (antony j. blinken@eop@lngtwy@eopmrx) (NSC)
READ:NOT READ

TO: Alexander L. Boyle (BOYLE_A) Autoforward to: Remote Addressee (Alexander L. Boyle@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Lanny A. Breuer (BREUER_L) Autoforward to: Remote Addressee (Lanny A. Breuer@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Patrick E. Briggs (BRIGGS_P) Autoforward to: Remote Addressee (Patrick E. Briggs@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Katharine M. Button (BUTTON_K) Autoforward to: Remote Addressee (Katharine Button@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Robin Bachman (Bachman_R) Autoforward to: Remote Addressee (Robin J. Bachman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Barbara D. Woolley (Barbara D. Woolley@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Bradley M. Campbell (Bradley M. Campbell@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Laura Capps (CAPPS_L) Autoforward to: Remote Addressee (Laura Capps@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Elizabeth A. Castellani (CASTELLANI_E) Autoforward to: Remote Addressee (Elizabeth A. Castellani@eop@lngtwy@eopm (WHO)
READ:NOT READ

TO: Joseph W. Cerrell (CERREL_J) Autoforward to: Remote Addressee (Joseph W. Cerrell@OVP@EOP@LNGTWY@EOPMRX (VPO)
READ:NOT READ

TO: David K. Chai (CHAI_D) Autoforward to: Remote Addressee (David K. Chai@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Andrei H. Cherny (CHERNY_A) Autoforward to: Remote Addressee (Andrei H. Cherny@ovp@eop@lngtwy@eopmrx (VPO)
READ:NOT READ

TO: Nanda Chitre (CHITRE_N) Autoforward to: Remote Addressee (Nanda Chitre@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: S~even A. Cohen (COHEN_SA) Autoforward to: Remote Addressee (Steven A. Cohen@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Julianne B. Corbett (CORBETT_J) Autoforward to: Remote Addressee (Julianne B. Corbett@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Michelle Crisci (CRISCI_M) (WHO)
READ:NOT READ

TO: Philip J. Crowley (CROWLEY_P) (NSC)

READ:NOT READ

TO: Lynn G. Cutler (CUTLER_L) ()
READ:NOT READ

TO: Lana Dickey (DICKEY_L) (WHO)
READ:NOT READ

TO: Elliot J. Diringer (DIRINGER_E) Autoforward to: Remote Addressee (Elliot J. Diringer@eop@lngtwy@eopmrx) (CEQ)
READ:NOT READ

TO: Melinda L. Dupont (DUPONT_M) Autoforward to: Remote Addressee (Melinda L. Dupont@eop@lngtwy@eopmrx)
READ:NOT READ

TO: Daniel W. Burkhardt (Daniel W. Burkhardt@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Diane Ikemiyashiro (Diane Ikemiyashiro@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Dorian V. Weaver (Dorian V. Weaver@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Dorinda A. Salcido (Dorinda A. Salcido@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Douglas Matties (Douglas Matties@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Anne M. Edwards (EDWARDS_A) Autoforward to: Remote Addressee (Anne M. Edwards@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Rahm Emanuel (EMANUEL_R) Autoforward to: Remote Addressee (Rahm Emanuel@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Karen C. Fahle (FAHLE_K) Autoforward to: Remote Addressee (Karen C. Fahle@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jennifer Ferguson (FERGUSON_J) Autoforward to: Remote Addressee (Jennifer Ferguson@eop@lngtwy@eopmrx) (OMB)
READ:NOT READ

TO: Julie A. Fernandes (FERNANDES_J) Autoforward to: Remote Addressee (Julie A. Fernandes@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Karen E. Finney (FINNEY_K) Autoforward to: Remote Addressee (Karen E. Finney@eop@lngtwy@eopmrx)
READ:NOT READ

TO: Martha Foley (FOLEY_M) Autoforward to: Remote Addressee (Martha Foley@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Carmen B. Fowler (FOWLER_C) Autoforward to: Remote Addressee (Carmen B. Fowler@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Ben Freeland (FREELAND_B) Autoforward to: Remote Addressee (Ben A. Freeland@eop@lngtwy@eopmrx)
READ:NOT READ

TO: Grace A. Garcia (GARCIA_GA) Autoforward to: Remote Addressee (Grace A. Garcia@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Jessica L. Gibson (GIBSON_JL) Autoforward to: Remote Addressee (Jessica L. Gibson@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Adam W. Goldberg (GOLDBERG_A) Autoforward to: Remote Addressee (Adam W. Goldberg@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jason S. Goldberg (GOLDBERG_JS) Autoforward to: Remote Addressee (Jason S. Goldberg@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Dario J. Gomez (GOMEZ_D) Autoforward to: Remote Addressee (Dario J. Gomez@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Wendy E. Gray (GRAY_W) (NSC)
READ:NOT READ

TO: Peter D. Greenberger (GREENBERGE_P) Autoforward to: Remote Addressee (Peter D. Greenberger@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: John Gribben (GRIBBEN_J) (OMB)
READ:22-APR-1998 08:49:03.70

TO: Donald Goldberg (Goldberg_D) Autoforward to: Remote Addressee (Donald Goldberg@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Richard Hayes (HAYES_R) Autoforward to: Remote Addressee (Richard Hayes@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Russell W. Horwitz (HORWITZ_R) Autoforward to: Remote Addressee (Russell W. Horwitz@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Maureen A. Hudson (HUDSON_M) Autoforward to: Remote Addressee (Maureen A. Hudson@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Thomas D. Janenda (JANENDA_T) Autoforward to: Remote Addressee (Thomas D. Janenda@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: David T. Johnson (JOHNSON_DT) Autoforward to: Remote Addressee (david t. johnson@eop@lngtwy@eopmrx) (NSC)
READ:NOT READ

TO: Leanne I. Johnson (JOHNSON_L) Autoforward to: Remote Addressee (Leanne I. Johnson@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Wayne C. Johnson (JOHNSON_WC) Autoforward to: Remote Addressee (Wayne C. Johnson@EOP@LNGTWY@EOPMRX) (OA)
READ:NOT READ

TO: Michele Jolin (JOLIN_M) Autoforward to: Remote Addressee (Michele Jolin@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: James M. Teague (James M. Teague@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Jon P. Jennings (Jon P. Jennings@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Julie E. Mason (Julie E. Mason@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: David E. Kalbaugh (KALBAUGH_D) Autoforward to: Remote Addressee (David E. Kalbaugh@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Jonathan A. Kaplan (KAPLAN_JA) Autoforward to: Remote Addressee (Jonathan A. Kaplan@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Allison J. King (KING_A) Autoforward to: Remote Addressee (Allison J. King@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Mark A. Kitchens (KITCHENS_M) Autoforward to: Remote Addressee (Mark A. Kitchens@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Catherine T. Kitchen (KITCHEN_C) Autoforward to: Remote Addressee (Catherine T. Kitchen@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Sarah S. Knight (KNIGHT_S) Autoforward to: Remote Addressee (Sarah S. Freeman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: James Kohlenberger (KOHLEN_J) Autoforward to: Remote Addressee (Jim Kohlenberger@OVP@EOP@LNGTWY@EOPMRX (VPO)
READ:NOT READ

TO: Sara Latham (LATHAM_S) Autoforward to: Remote Addressee (Sara M. Latham@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Christopher J. Lavery (LAVERY_C) Autoforward to: Remote Addressee (Christopher J. Lavery@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Joseph P. Lockhart (LOCKHART_J) Autoforward to: Remote Addressee (Joseph P. Lockhart@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Laura D. Schwartz (Laura D. Schwartz@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Laura Capps (Laura K. Capps@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lisa J. Levin (Lisa J. Levin@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Christine N. Macy (MACY_C) Autoforward to: Remote Addressee (Christine N. Macy@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Michael D. Malone (MALONE_M) (WHO)
READ:NOT READ

TO: Laura S. Marcus (MARCUS_LS) Autoforward to: Remote Addressee (Laura S. Marcus@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Tanya E. Martin (MARTIN_T) Autoforward to: Remote Addressee (Tanya E. Martin@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Doris O. Matsui (MATSUI_D) Autoforward to: Remote Addressee (Doris O. Matsui@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Douglas R. Matties (MATTIES_D) Autoforward to: Remote Addressee (Douglas R. Matties@eop@lngtwy@eopmrx) (OA)
READ:NOT READ

TO: Andrew Mayock (MAYOCK_A) Autoforward to: Remote Addressee (Andrew J. Mayock@eop@lngtwy@eopmrx) (WHO)

READ:NOT READ

TO: Anne E. McGuire (MCGUIRE_A) Autoforward to: Remote Addressee (Anne E. McGuire@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Brooke E. McManus (MCMANUS_B) Autoforward to: Remote Addressee (Brooke E. McManus@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Estela Mendoza (MENDOZA_E) Autoforward to: Remote Addressee (Estela Mendoza@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: R. Scott Michaud (MICHAUD_R) Autoforward to: Remote Addressee (R. Scott Michaud@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Elisa Millsap (MILLSAP_E) Autoforward to: Remote Addressee (Elisa Millsap@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Cheryl D. Mills (MILLS_C) Autoforward to: Remote Addressee (Cheryl D. Mills@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Julia Moffett (MOFFETT_J) (WHO)
READ:NOT READ

TO: Megan C. Moloney (MOLONEY_M) Autoforward to: Remote Addressee (megan moloney@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Tamara Monosoff (MONOSOFF_T) Autoforward to: Remote Addressee (Tamara Monosoff@EOP@LNGTWY@EOPMRX) (PIR)
READ:NOT READ

TO: Kevin Moran (MORAN_K1) Autoforward to: Remote Addressee (Kevin Moran@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jonathan Murchinson (MURCHINSON_J) Autoforward to: Remote Addressee (Jonathan Murchinson@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Melissa M. Murray (MURRAY_MM) Autoforward to: Remote Addressee (Melissa M. Murray@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Reuben L. Musgrave Jr. (MUSGRAVE_R) Autoforward to: Remote Addressee (Reuben L. Musgrave Jr.@eop@lngtwy@eopmr (WHO)
READ:NOT READ

TO: Sean Maloney (Maloney_S) Autoforward to: Remote Addressee (Sean P.

Maloney@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Michael Terrell (Michael V. Terrell@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Steven J. Naplan (NAPLAN_S) Autoforward to: Remote Addressee (Steven J. Naplan@eop@lngtwy@eopmrx) (NSC)
READ:NOT READ

TO: Mark D. Neschis (NESCHIS_M) Autoforward to: Remote Addressee (Mark D. Neschis@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Elizabeth R. Newman (NEWMAN_E) Autoforward to: Remote Addressee (Elizabeth R. Newman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Neera Tanden (Neera Tanden@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Michael A. O'Mary (OMARY_M) Autoforward to: Remote Addressee (Michael A. O'Mary@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Jonathan Orszag (ORSZAG_J) Autoforward to: Remote Addressee (Jonathan Orszag@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Peter Orszag (ORSZAG_P) Autoforward to: Remote Addressee (Peter R. Orszag@eop@lngtwy@eopmrx)
READ:NOT READ

TO: Carol Parmelee (PARMELEE_C) Autoforward to: Remote Addressee (Carole A. Parmelee@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Sally P. Paxton (PAXTON_S) Autoforward to: Remote Addressee (Sally P. Paxton@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Julia Payne (PAYNE_J) Autoforward to: Remote Addressee (Julia M. Payne@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Timothy Dixon (PR_U=TDIXON@PR_L=AVUOEOB@MRP@OPUS)
READ:NOT READ

TO: Peter O'Keefe (Peter O'Keefe@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Nicole R. Rabner (RABNER_N) Autoforward to: Remote Addressee (Nicole R. Rabner@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Nelson Reyneri (REYNERI_N) Autoforward to: Remote Addressee (Nelson Reyneri@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Linda Ricci (RICCI_L) Autoforward to: Remote Addressee (Linda Ricci@eop@lngtwy@eopmrx) (OMB)
READ:NOT READ

TO: Renee C. Riley (RILEY_R) Autoforward to: Remote Addressee (Renee C. Riley@eop@lngtwy@eopmrx) (OA)
READ:NOT READ

TO: Cecilia E. Rouse (ROUSE_C) Autoforward to: Remote Addressee (Cecilia E. Rouse@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Charles Ruff (RUFF_C) Autoforward to: Remote Addressee (Charles F. Ruff@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Peter Rundlet (RUNDLET_P) Autoforward to: Remote Addressee (Peter Rundlet@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Virginia N. Rustique (RUSTIQUE_V) Autoforward to: Remote Addressee (Virginia N. Rustique@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Evan Ryan (RYAN_E) Autoforward to: Remote Addressee (Evan Ryan@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jodi R. Sakol (SAKOL_J) Autoforward to: Remote Addressee (Jodi R. Sakol@OVP@EOP@LNGTWY@EOPMRX) (VPO)
READ:NOT READ

TO: G. Timothy Saunders (SAUNDERS_GT) Autoforward to: Remote Addressee (G. Timothy Saunders@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Jason H. Schechter (SCHECHTER_J) Autoforward to: Remote Addressee (Jason H. Schechter@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jill A. Schuker (SCHUKER_J) Autoforward to: Steven J. Naplan (NAPLAN_S) (NSC)
READ:NOT READ

TO: Judithanne V. Scourfield (SCOURFIELD_J) Autoforward to: Remote Addressee (Judithanne V. Scourfield@eop@lngtwy@eop (WHO)
READ:NOT READ

TO: Brooks E. Scoville (SCOVILLE_B) Autoforward to: Remote Addressee (BROOKS SCOVILLE@EOP@LNGTWY@EOPMRX) (WHO)

READ:NOT READ

TO: Ruby Shamir (SHAMIR_R) Autoforward to: Remote Addressee (Ruby Shamir@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jeffrey A. Shesol (SHESOL_J) Autoforward to: Remote Addressee (Jeffrey A. Shesol@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: June Shih (SHIH_J) Autoforward to: Remote Addressee (June Shih@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Robert M. Shireman (SHIREMAN_R) Autoforward to: Remote Addressee (Robert M. Shireman@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Jake Siewert (SIEWERT_J) Autoforward to: Remote Addressee (Jake Siewert@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Joshua Silverman (SILVERMAN_J) Autoforward to: Remote Addressee (Joshua Silverman@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Brian D. Smith (SMITH_B2) Autoforward to: Remote Addressee (Brian D. Smith@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Brian D. Smith (SMITH_BD) (OMB)
READ:NOT READ

TO: Craig T. Smith (SMITH_CT) Autoforward to: Remote Addressee (Craig T. Smith@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Richard Socarides (SOCARIDES_R) Autoforward to: Remote Addressee (Richard Socarides@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Douglas B. Sosnik (SOSNIK_D) Autoforward to: Remote Addressee (Douglas B. Sosnik@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Maria E. Soto (SOTO_M) Autoforward to: Remote Addressee (Maria E. Soto@eop@lngtwy@eopmrx) (PIR)
READ:NOT READ

TO: Elisabeth Steele (STEELE_E) Autoforward to: Remote Addressee (Elisabeth Steele@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Aviva Steinberg (STEINBERG_A) Autoforward to: Remote Addressee (Aviva

Steinberg@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Todd Stern (STERN_T) Autoforward to: Remote Addressee (Todd Stern@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Darby E. Stott (STOTT_D) Autoforward to: Remote Addressee (darby_E._stott@oa.eop.gov@inet) (WHO)
READ:NOT READ

TO: Diane A. Stumpf (STUMPF_D) Autoforward to: Remote Addressee (Diane A. Stumpf@eop@lngtwy@eopmrx) (DON)
READ:NOT READ

TO: Mike Sullivan (SULLIVAN_M) Autoforward to: Remote Addressee (Michael J. Sullivan@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Jonathan Schnur (Schnur_J) Autoforward to: Remote Addressee (Jonathan H. Schnur@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Tracy F. Sisser (Sisser_T) Autoforward to: Remote Addressee (Tracy F. Sisser@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Suzanne Dale (Suzanne Dale@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Sylvia M. Mathews (Sylvia M. Mathews@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lisa Jordan Tamagni (TAMAGNI_L) Autoforward to: Remote Addressee (Jordan Tamagni@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Remote Addressee (TCSmith@dol.gov@INET@EOPMRX)
READ:NOT READ

TO: Terri I. Tingen (TINGEN_T) Autoforward to: Remote Addressee (terri tingen@eop@lngtwy@eopmrx)
READ:NOT READ

TO: Amy W. Tobe (TOBE_A) Autoforward to: Remote Addressee (Amy W. Tobe@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Barry J. Toiv (TOIV_B) Autoforward to: Barry Toiv (Barry J. Toiv@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Serena C. Torrey (TORREY_S) Autoforward to: Remote Addressee (Serena C. Torrey@eop@lngtwy@eopmrx) (WHO)

READ:NOT READ

TO: June G. Turner (TURNER_J) Autoforward to: Remote Addressee (June G. Turner@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Thurgood Marshall (Thurgood Marshall Jr@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Dag Vega (VEGA_D) (WHO)
READ:NOT READ

TO: Virginia Apuzzo (Virginia Apuzzo@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Michael Waldman (WALDMAN_M) Autoforward to: Remote Addressee (Michael Waldman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Angelina Walker (WALKER_L) Autoforward to: Remote Addressee (Angelina Walker@ovp@eop@lngtwy@eopmrx) (VPO)
READ:NOT READ

TO: Glen M. Weiner (WEINER_G) Autoforward to: Remote Addressee (Glen M. Weiner@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Robert S. Weiner (WEINER_R) Autoforward to: Remote Addressee (Robert S. Weiner@eop@lngtwy@eopmrx) (DON)
READ:NOT READ

TO: Peter A. Weissman (WEISSMAN_P) Autoforward to: Remote Addressee (Peter A. Weissman@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Lowell Weiss (WEISS_L) Autoforward to: Remote Addressee (Lowell A. Weiss@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Woyneab M. Wondwossen (WONDWOSSEN_W) Autoforward to: Remote Addressee (Woyneab M. Wondwossen@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Debra S. Wood (WOOD_D) Autoforward to: Remote Addressee (Debra S. Wood@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Natalie S. Wozniak (WOZNIAK_N) (NSC)
READ:21-APR-1998 14:46:24.58

TO: Remote Addressee (William H. White Jr.@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Remote Addressee (julie_green@ed.gov@INET)

READ:NOT READ

TO: Remote Addressee (usia01@access.digex.com@INET)
READ:NOT READ

TO: Remote Addressee (1=US@2=WESTERN
UNION@3=@5=ATT.COM@*ELN\62955104@MRX@EOPMRX)
READ:NOT READ

TO: Remote Addressee (62955104@eln.attmail.com@INET)
READ:NOT READ

TO: Manager Infomgt (INFOMGT) (SYS)
READ:NOT READ

TO: Remote Addressee (newsdesk@usnewswire.com@INET)
READ:NOT READ

TO: Remote Addressee (usnwire@access.digex.com@INET)
READ:NOT READ

TEXT:
PRINTER FONT 10_POINT_COURIER
BOTTOM ODD
MORE
PRINTER FONT 12_POINT_COURIER

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release April 21, 1998

REMARKS BY THE PRESIDENT
ON THE 1998 LEGISLATIVE AGENDA

The Rose Garden

12:23 P.M. EDT

THE PRESIDENT: Good afternoon. In the coming weeks, Congress will be making an awful lot of important decisions about how to best prepare our children and our nation for the 21st century. First, we have an historic opportunity to pass bipartisan legislation to protect our children from the dangers of tobacco. The legislation would put an end to the tobacco industry's calculated, multimillion

-dollar media campaign to hook our children early to the deadly habit of smoking.

For years the cartoon character, Joe Camel, was the star of their efforts to create a new generation of customers for cigarettes -- what the tobacco industry euphemistically called "replacement smokers;" what most of us call our children. Even as the executives denied they were targeting children, Joe Camel became as recognizable to them as Mickey Mouse.

Now, some in Congress say that teen smoking has nothing to do with Joe Camel. Medical science and common sense makes it plain: teen smoking has everything to do with Joe Camel -- with unscrupulous marketing campaigns that prey on the insecurities and dreams of our children. Indeed, a recent study by the American Medical Association found that over a third of our young people who try cigarettes do so because of advertising and promotion, and that Joe Camel was the overwhelming favorite among 12- to 15

-year

-olds.

The industry has spent hundreds of millions of dollars on such marketing campaigns -- plainly not designed to appeal to adults. It is time to end this story once and for all. So again I say to Congress, now is the time to pass strong bipartisan tobacco legislation. And again I say, I hope that both parties will work together for the benefit of our children.

Today is an extremely important day for the future of public education in America. Soon the United States Senate will be faced with a clear choice -- whether to modernize 5,000 schools and strengthen educational opportunity for all children, or offer families about a $7 tax rebate that would barely cover the cost of schools supplies and, in the process, would weaken our national commitment to education.

Above all, the Information Age is an education age. And the most important thing we can do to strengthen our country for the 21st century is to give our people the best education system in the world. In our balanced budget, I propose a plan that would help us to do that. It would help all Americans -- teachers, parents, students, principals -- bring a revolution of standards, accountability, and choice to our schools.

BOTTOM EVEN
MORE

I am committed to seeing that our students master the basics with national standards and an exam to measure those in 4th grade reading and 8th grade math; to reduce class sizes in the early grades to an average of 18; to encouraging public school choice,

TOP EVEN
- \p -

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MORE
charter schools, and to ending social promotion. Making sure that every child in America has an opportunity to learn in a modern, safe state of the arts school is also a centerpiece of our plan.

The need is great. With the number of school

-age
children at a record high and growing, schools across the country already are at or beyond capacity. One

-third of our schools need to
be modernized. Nearly half don't have the wiring to support basic computer equipment. The federal government helps to build roads and bridges and other infrastructure projects because they are in the national interest. But none of that will matter if we do not see that our national interest in an adequate education infrastructure is also preserved.

Today, Senator Carol Moseley Braun will offer an amendment that will help communities raise the funds to modernize 5,000 schools. If we want our children to be prepared for the 21st century, they ought to have 21st century schools. I urge Congress to adopt the amendment right away.

Today, the Senate will also vote the wrong way -- an
ill

-advised tax incentive for elementary and secondary expenses. The proposal is bad education policy and bad tax policy. It won't do anything to strengthen our schools, and, in fact, would weaken public education by siphoning limited federal resources away from public schools. The $1.6 billion proposal would do very little for average families, offering an average of $7 in tax relief for parents of the 90 percent of our children who are in public schools, and $37 for the parents with children in private schools. It would disproportionately benefit highest

-income taxpayers -- families who
are struggling to make ends meet would never see a penny of it. It would short

-change our children.

The right way to fix the schools is to fix them, not walk away from them. We have 600 days left before the turn of the century. We have to prepare our children for it. We should begin with protecting their health and giving them the best schools in the world.

I'd like to ask the Vice President and Senator Daschle and Mr. Gephardt to make some remarks. Thank you.

* * * * *

Q Mr. President, do you think that other cartoon characters used to market other products that potentially are dangerous to children, like beer, should be outlawed as well -- the frogs in the Budweiser commercial, for example?

THE PRESIDENT: I think that, by an order of magnitude, what we saw with the tobacco marketing is far greater in its impact on children and in its destructive capacity. And so I don't want to be deterred by focusing on other things when the business at hand is to pass this tobacco legislation. I don't think there's any -- no other thing I could think of compares with what has been done there in terms of the destructive impact on our children and their health.

And also, I would say, based on all these documents which are coming out now and all these lawsuits, the latest one in Minnesota, it appears unambiguous that they were designed to do just what they did, which is to appeal to children.

Q Mr. President, the tobacco companies --

Q Mr. President, how do you expect to get bipartisanship when you bash the Republicans and they bash you with the kind of rhetoric that we've heard here today?

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BOTTOM ODD
MORE

THE PRESIDENT: First of all, I haven't bashed all the Republicans. Senator McCain -- I bragged on the bill that came out of his committee 19

-1. I talked -- I called Senator Lott a few days ago and said that I very much wanted to get this bill passed.

What has caused our concern here is this apparent dramatic change in the statements made by Republicans about this. I mean, it wasn't so very long ago when the Speaker said that there's no way in the world that I could ever be for a more progressive tax bill -- tobacco bill than he would be for. And I, frankly, loved hearing that. I don't mind sharing the credit for this. I don't want this to be a partisan thing, I want this to be an American thing.

Let's look what had happened here. All of us have been talking about trying to get bipartisan agreement on this; the tobacco industry says they don't like the McCain bill and they refuse to negotiate any further and they're fighting for their life and this is war. And all of a sudden we get different public statements coming out of people in important positions in the Republican Party.

I still believe and hope that there will be enough Republicans to make a genuinely bipartisan effort to pass sensible, sound, strong legislation. And that is my commitment. That is all of our commitments. We are responding to events as they have unfolded.

But I would remind you that what sparked all this was the bipartisan action of the Senate committee. That is what I have lauded and that is what I want.

Q Mr. President, regarding the education bill, sir, you seem to be unwavering over the vouchers issue. The Republicans have indicated they're going to be unwavering on the vouchers issue. Isn't the reality that there probably isn't going to be an education bill this year, over this issue perhaps?

THE PRESIDENT: Well, I hope not. This may be just the opening foray. But I think a lot of them are genuinely opposed to the concept embodied in Senator Carol Moseley Braun's bill. That is, they believe it's okay for Congress to invest money in highly specific local transportation projects, but not to give even the most general kind of support for our education infrastructure.

Now, during all the time I've been President, when we had those tough budget years, I always tried to provide enough room for there to be some increase in infrastructure for transportation. But I believe the infrastructure of the '90s will be the superhighway that carries information, and I believe the people that can travel it will be those that have a good education, not the finest vehicle. And so, to me, when we've got cities with the average school building being 65 years old, when we've got small communities like the one I visited in Florida with 17 trailers out back of the main school building where the kids are going to school -- this is a national infrastructure issue. And I think it's important.

Now, on this education IRA, I think the real thing you have to ask yourself about that is this -- does it make sense, when the federal government only spends about -- provides about 6 percent of the total education budget of the country, and when everybody recognizes we need more general investment -- does it make sense to take $1.6 billion and put it into a program that will give the average public school parent 7 bucks? Let's assume the Republicans who favor more private school education are right -- give the average public school parent 7 bucks to pay tuition to a private school? And for those that already have their kids in private school, if they're middle class families, give them an average of $37 a year?

I think the $1.6 billion would be far better spent funding charter schools, funding school standards programs, funding the master teacher program, and helping to fund this school construction program. That's what I believe. I don't think it's even close. If they believe these programs are so great, then they ought to be out there in every city and every state in the country making this case, instead of using the limited federal money we have which ought to be spent to benefit the largest number of people in the most impactful way.

Q Mr. President, the tobacco companies --

Q -- fails to lower the spending levels in the transportation bills, will you veto the bills? And if not, why not?

THE PRESIDENT: Well, first of all, the transportation bill has not yet passed; it's going into conference. I have a lot of problems with it, including the dropping of the provision for a tougher DWI standard in the House bill. But I think it is imperative that we wind up with a transportation bill which increases our investment in transportation, but does not do so at the expense of education, of research -- medical research -- the environment, all the things that are also important to our future, on the one hand, and on the other hand, that doesn't run away from our Social Security first commitment on the surplus.

And so I'm going to do my best to fashion that sort of infrastructure highway bill. And I am concerned that the bills as passed are disembodied from the budget. They don't have any relationship with all the other pieces in the budget, and at least on their surface, appear to be far in excess of anything we can afford and still continue our commitments in education and honor Social Security first.

But this is a process, and we're not there yet. We're not to the point yet where we have to make the discussion --

Q Would you veto an education bill if it included both the Coverdell accounts and the school construction money you want?

THE PRESIDENT: Yes, yes.

Q Mr. President, Speaker Gingrich yesterday said you sent the wrong signal to children by smoking a cigar when you're celebrating. How would you respond?

THE PRESIDENT: Well, first of all, I think the only time I've done that since I was President was when we got that young man out of Bosnia. And I think he's probably right about that. I think he's probably right about that. But let me say, I do not -- I think to contend that that isolated event has a bigger impact on children than these millions of dollars of deliberately calculated ads -- billions -- is just a way of avoiding taking responsibility for doing the right thing.

Now, secondly -- you know, he made another point with which I agree, which is that there is too much -- there are too many young actors and actresses in alluring movies in Hollywood making smoking look alluring again. But we've been talking about that for two or three years. The Vice President I think has already had two meetings with people in Hollywood; I have voiced the concern publicly and privately. I agree with that.

But these things get said in the context in which he said it, it was like to let them off the hook for taking responsibility for passing tobacco legislation and making cigarettes both more expensive for kids to buy and then using the money to deal with the health care consequences and to fund an anti

-smoking
advertising campaign that they know would be effective. And I'll tell you one -- I'll bet you anything that in addition to their previously effective advertising campaigns, we'll be treated to another big ad campaign from the tobacco industries surrounding this before you know it.

So you can say all these things, but none of us should ever be guilty of that. We can point the finger at others, but no amount of finger

-pointing at others, by the President or anyone else, will ever absolve us of our own responsibility to push the public interest. And that's what I'm trying to do.

Q Mr. President, the tobacco companies say they'll go bankrupt under McCain. Do you believe they deserve that?

Q Mr. Vice President, somebody called you "cheap Al." Would you care to defend yourself, sir? Seriously. It's out there.

END 12:47 P.M. EDT

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Tom Butts <tombutts@umich.edu> (Tom Butts <tombutts@umich.edu> [UNKNOWN])

CREATION DATE/TIME:27-APR-1998 07:39:23.00

SUBJECT: DANGER AHEAD: HEA And Student Interest Rates Threatened

TO: pdls@umich.edu (pdls@umich.edu [UNKNOWN])
READ:UNKNOWN

TO: dirloan2@lists.uoregon.edu (dirloan2@lists.uoregon.edu [UNKNOWN])
READ:UNKNOWN

TEXT:
FYI - Ivan provides good information and wise counsel, as usual. CBO estimates the taxpayer cost of the LENDER subsidy in the interest rate compromise at $3.6 billion (new scoring). OMB estimates the cost at $2.7 billion. Rather than find the savings from possible lender/guarantee agency reductions or other sources, Senator Domenici proposes that students in both the DIRECT and FFELP programs make up the difference over the 30 basis point reduction the lenders now say they can accept.

Further, neither bill contains a needed reduction in origination fees. Senator Harkin is expect to offer an amendment to provide students relief while they are in school. His amendment deserves strong support!

DANGER AHEAD: HEA And Student Interest Rates Threatened

Date: Mon, 27 Apr 1998 01:25:34 -0400 (EDT)
From: Ivan Frishberg <ivan@PIRG.org>
X-Sender: ivan@essential.essential.org
To: USPIRG Ivan Frishberg <ivan@PIRG.org>
Subject: DANGER AHEAD: HEA And Student Interest Rates Threatened
MIME-Version: 1.0

Chairman Domenici Proposes To Increase Interest Rates On Student Loans
Reauthorization Of Higher Education Act At Risk

At the end of last week, Senate Budget Committee Chairman, Pete Domenici (R-NM), proposed to increase the interest rates on student loans by half a percentage point over the agreement that passed the House and Senate education committees. The proposal would increase costs to students by over $5 Billion over the next five years.

Proposal	Interest Rate*
House Committee	7.12%
Senate Committee	7.12%

White House 7.12%
Domenici 7.62%

* source: Domenici proposal, 4/22/98

This proposal and debate over the FY99 budget have threatened passage of the Reauthorization of the Higher Education Act. The House bill (passed in Committee 38 to 3) has already been delayed for a week and is currently scheduled to be considered on the House floor Wednesday of this week. The bill is being threatened both because of the counter proposal being offered by Domenici, and the possibility that the student loan interest portion of the bill would be attached to another piece of legislation (a supplemental Appropriations bill now being negotiated by the Congress and the White House). Doing so would mean almost certainly that the Congress was abandoning the remainder of the Higher Education Act for the rest of this Congress.

Both the House and Senate Committees have been working with the higher education community for the last year and a half to develop the reauthorization bills H.R. 6 and S. 1882. These bills are very important to students and educators, and many in Congress believe that the reauthorization of the Higher Education Act will be one of the most important accomplishments of the 105th Congress.

While the leaders of both the House and Senate Committees are standing firm behind their legislation, it is now time to put pressure on the leadership and members of both chambers to allow these bills to come to the floor. If these bills are not allowed to keep moving forward, the many important benefits for students that they offer may be lost.

Use the toll free Alliance To Save Student Aid Hotline number, 1-800 574-4AID, to call your Representative, Senators and the Congressional leadership to urge them to support lower interest rates for students and support the Reauthorization of the Higher Education Act. All members of Congress should support H.R. 6 and S. 1882.

There is a great deal of urgency at this point. Students and educators are encouraged to call ASAP, make follow up calls if you don't get firm commitments from your representatives, and organize others to call as well.

Ivan Frishberg, | Internet: ivan@PIRG.org
PIRG's Higher Education Project | Phone: (202)
546-9707
U.S.Public Interest Research Group | Fax: (202)
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RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: "Van Eyck, Laila" <lvaneyck@NASULGC.ORG> ("Van Eyck, Laila" <lvaneyck@NASULGC.ORG> [UNKNOWN])

CREATION DATE/TIME:29-APR-1998 18:13:41.00

SUBJECT: CGA NEWS, Apr. 29

TO: CGA-NEWS@UMDD.UMD.EDU (CGA-NEWS@UMDD.UMD.EDU [UNKNOWN])
READ:UNKNOWN

TEXT:
CGA NEWS
Compiled by the Office of Federal Relations-Higher Education
National Association of State Universities and Land-Grant Colleges
(http://www.nasulgc.nche.edu)
Jerry Roschwalb, Director
Laila Van Eyck, Assistant Director
Katrina Briscoe, Administrative Assistant
Jackie Stokel, Intern

CGA News Summary April 29, 1998

* Budget Chairman Seeks Colleagues' Advice on Plan
* Appropriations for Emergency Spending Bill Continue
* White House Efforts to Gain Tobacco Support Could be Working
* Higher Education Reauthorization Act To Go to Floor Vote
* Senate Committee Works on Copyright Legislation
* Department of Energy Grants $800,000 for Energy Research to 5 Colleges
* NSF to Appeal Ruling on Internet Improvement Fund

Budget Chairman Seeks Colleague's Advice on Plans
Budget Chairman Kasich (R-OH) met with Republican leaders Tuesday night to discuss his budget priorities. Conservative Republicans were happy will the budget, while moderates were clearly concerned. Kasich's current budget plan would cut spending by $100 billion, eliminate two federal departments, and offer a tax cut. Many Republicans have expressed their concern that the spending cuts are not feasible. Majority Leader Gingrich (R-GA) has said that it may be as long as two weeks before the House Budget Committee begins a markup.

Appropriations for Emergency Spending Bill Continue
House and Senate Appropriations representatives met on Tuesday of this week to work out an agreement about the supplemental spending package. Following the meeting, a source said that House Republicans are likely to accept the demand from Senate Appropriations Chairman Stevens (R-AK) that defense spending not be offset by cuts in domestic spending. Most likely, spending for disaster relief will be offset, and spending for the International Monetary Fund will be dropped. This bill is scheduled for a vote on the House floor Thursday.

White House Efforts to Gain Tobacco Support Could Be Working
Sen. Kent Conrad (D-ND), who wrote his own tobacco legislation, has said that he may accept some of the most controversial aspects of Senate Commerce Committee Chairman McCain's (R-AZ) tobacco bill. Conrad made the announcement after he met with White House Chief of Staff Bowles and Senate Labor and Human Resources Ranking Member Edward Kennedy (D-MA). Conrad's bill offers no protection to the tobacco industry, while McCain's bill includes a liability cap of $6.5 billion a year. Conrad and the White House also advocate a high penalty for the industry's failure to reduce youth smoking, and a tougher penalty for second hand smoke. Senate leadership is pushing to put the bill on the floor before the Memorial Day recess.

Higher Education Reauthorization to Go to Floor Vote
H.R. 6, the Higher Education Reauthorization Act, is likely to go to floor vote on Wednesday and Thursday of this week. Once the bill is on the floor, it will be open to amendments. As reported in an earlier message, there are four main areas that could be harmful to colleges and universities. Sen. Domenici (R-NM) is expected to offer an amendment that will take back most of the reduction in student loan interest rates. > Rep. Frank Riggs (R-CA) is expected to offer an amendment that would > apply California's Proposition 209 to all public and private colleges > and universities. > RepR The House bill also includes a provision that will force colleges and universities to provide public notice four years prior to terminating > any college sport. Rep. Miller (D-CA) will offer an amendment > requiring institutions to either meet national > standards for institutional accreditation of teacher preparation > programs, or have at least 75 percent of the teaching school graduates pass > passspa State teacher > certification examination in order to > receive any federal funds for teacher preparation.

Senate Committee Works on Copyright Legislation
The Senate Judiciary Committee will continue markup of the "Digital Millenium Copyright Act of 1998" on Thursday. The bill would implement the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, which will extend global copyright laws. It also includes provisions dealing with online service provider liability.

Department of Energy Grants $800,000 for Energy Research to 5 Colleges
The U.S. Department of Energy has given $800,000 to five colleges: Hampton University, North Carolina A&T State University, Prairie View A&M University, Tuskegee University, and The University of New Mexico to conduct fossil fuel research. The schools were selected from a pool of 19 applicants.

NSF to Appeal Ruling on Internet Improvement Fund
The National Science Foundation has decided to appeal a court ruling that ties up $45 million in funds for the "Intellectual Infrastructure Fund," a program that would help build advanced computer networks.

Colleges and universities were expecting to receive a significant amount of these funds. A U.S. District Court judge ruled that "Network Solutions", a Virginia company that maintains Internet addresses under a contract with the NSF, had collected an illegal tax to build up the fund. Almost half of the money, $23 million, had been appropriated by Congress last year to go towards the Next Generation Internet (NGI) initiative.