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September 16, 2009

The Honorable George Miller, Chairman
Committee on Education and Labor
Washington, DC 20215

Dear Chairman Miller:

On behalf of the American Association of State Colleges and Universities (AASCU) and its 430 public institutions of higher education, I write to commend your leadership and the Committee's work on H.R. 3221, the Student Aid and Fiscal Responsibility Act (SAFRA). Many provisions in the measure will support and encourage students' ability to attend and complete postsecondary education. However, there are some problematic areas in the bill, especially the potential impact on public institutions of higher education.

First, I want to applaud your efforts for providing sufficient resources to achieve the President's budget proposal for the Pell Grant Program. In fiscal year 2010, the measure provides for a maximum award of \$5550, coupled with appropriations, followed by annual increases of the Consumer Price Index plus 1 percent through the use of mandatory funds. The President's proposal faced significant budgetary hurdles given Congressional rules. AASCU appreciates your leadership and work in attempting to overcome them, including provisions that were included in the unrelated PAYGO legislation. Your continued leadership is needed to ensure that the appropriations baseline is not harmed in the future and AASCU stands ready to help.

Second, I commend the Committee for including additional provisions that benefit student access to postsecondary education. AASCU particularly notes the inclusion of Subtitle B of Title I focusing on simplification of the student aid application process, providing lower interest rates for borrowers receiving subsidized loans and increasing the capacity of the Perkins Loan Program. AASCU strongly supports the provision in this measure to continue funding currently authorized under the College Cost Reduction and Access Act for Historically Black Colleges and Universities, Hispanic-Serving Institutions and Tribal Colleges.

AASCU recognizes the importance of enhancing state involvement in higher education; however, SAFRA, as currently constructed includes highly problematic language that could dramatically alter the relationship between states and institutions. Specifically, there is concern that the opportunity exists for states to assume a more dominant role under the newly authorized section 782, contained in section 102 – the College Access and Completion Innovation Fund, and

The Honorable George Miller, Chairman
September 16, 2009
Page Two

in section 504 of the American Graduation Initiative. Currently, section 102 of the bill provides three-quarters of the funding to states without any commitment to involve institutions so that students will reap the full impact of any programs. In order to achieve President Obama's goal of having the most graduates in developed countries by the year 2020, programs at the institutional level focused on at-risk students need to be funded.

AASCU has joined with the Association of Public and Land-Grant Universities (APLU) in constructing an alternative approach that would provide funds to states in order to conduct a competitive grant program for institutions focused on student retention and completion. The proposal would stimulate creative approaches to ensuring students graduate with a postsecondary degree. As this measure moves forward, we look forward to working with you and the Committee in restructuring this program in ways resulting in student success.

While expanding the Perkins Loan Program so that nearly every institution of higher education is able to participate will be of great benefit to students, there is concern about the ability of institutions to fully participate in the program as the legislation is currently written. It is my understanding that discussions continue on addressing many of these concerns and I remain encouraged that the process will produce legislation that will be of benefit to all parties.

In closing, allow me to express my appreciation for the efforts focused on students and student access in SAFRA. We look forward to continuing our dialogue as the legislation continues through the process and working to improve the design of the programs to include collaboration with institutions. The end result will be programs that better achieve student completion goals.

With warm personal regards,



Muriel Howard
President
American Association of State Colleges and Universities

cc: Members of the Committee on Education and the Workforce
Members of the House of Representatives