

AMERICAN COUNCIL ON EDUCATION



GOVERNMENT RELATIONS

March 28, 2008

The Honorable John Conyers, Jr.
Chairman
Judiciary Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Lamar S. Smith
Ranking Member
Judiciary Committee
U.S. House of Representatives
Washington, DC 20515

Re: The Need-Based Educational Aid Act of 2007 (H.R. 1777)

Dear Chairman Conyers and Ranking Member Smith:

On behalf of the higher education associations listed below, I write to express our strong support for H.R. 1777, the “Need-Based Educational Aid Act of 2007.” We understand that your committee has scheduled a markup of this legislation for next week and we urge the committee to approve this important measure so that it may be moved swiftly toward final passage.

H.R. 1777 would permanently renew a provision of existing law (known as Section 568) that allows qualifying colleges and universities to establish common approaches for awarding non-federal, institutional student aid. The provision is intended to increase access to higher education by promoting financial aid policies that support the largest number of financially needy students. It does not permit discussion or comparison of institutional awards for individual students. This provision has been renewed twice before—once in 1997 and again in 2001—and in both instances, it passed the committee by voice vote and the full House under suspension.

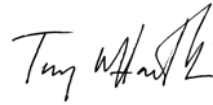
In enacting Section 568, Congress recognized that it is in the public interest for colleges and universities to develop and refine financial aid policies. Having a well-designed institutional methodology is very important to institutions that supplement federal aid to needy students with their own resources. Last year, colleges provided over \$26 billion in grants from their own funds, 76 percent more than the approximately \$15 billion the federal government made available through the Pell Grant, Supplemental Educational Opportunity Grant, Leveraging Educational Assistance Partnership Grant, and Federal Work Study programs combined.

Without explicit statutory permission, colleges and universities would be reluctant to have discussions on these issues, despite Congress’ earlier affirmation that permitting institutions to establish and agree upon common financial aid principles and procedures improves access to higher education. In addition, families of aid applicants would face widespread confusion, as institutions could no longer agree upon common principles and standards for assessing financial need.

Given the continued importance of institutionally financed aid as a supplement to federal student assistance, we respectfully urge the committee to renew Section 568 on a permanent basis

before it expires on September 30th. Such an action would reaffirm the historical importance of need-based institutional aid as a means of enhancing access to higher education.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry W. Hartle". The signature is fluid and cursive, with a large initial "T" and "H".

Terry W. Hartle
Senior Vice President

TWH\ksm

On behalf of:

American Association of Community Colleges

American Association of State Colleges and Universities

American Council on Education

Association of American Universities

National Association for Independent Colleges and Universities

National Association of State Universities and Land-Grant Colleges

cc: Congressman William D. Delahunt