

Washington DC's Climate of Change



Agenda

- Election Impact
- The Budget Challenge
- HEA Reauthorization
- Campus-Based Programs
- FAFSA and DRT
- Public Service Loan Forgiveness
- Legislative Activity



Election 2016

- President Donald Trump won the electoral vote, didn't win popular vote - similar to 2000 election.
 - Trump obtained 304 electoral votes to Hillary Clinton's 227 with 47.5 % of the popular vote.
- Congress remained status quo - Republican majorities
 - Reversing expectation
 - House: Democrats gained six seats
 - Senate: Democrats gained three seats



The 115th Congress

House

- 241 Republicans on January 3, 2017
 - Now 236 (5 in Administration)
 - 193 Democrats
- 114th Congress:
- 247 Republicans
 - 188 Democrats

Senate

- 52 Republicans
 - 48 Democrats (including Indep.)
- 114th Congress:
- 54 Democrats
 - 46 Republicans



Appointments and Confirmations

- Some 4,000 appointments from personal staff, Cabinet Secretaries to sub-cabinet officials.
- About 1,200 – 1,400 require Senate confirmation.
- Senate HELP Committee will need to confirm about 100 appointments.



President's Budget

- “Skinny budget” outline released by OMB doesn’t address Perkins or other loan programs.
- Calls for a 13 percent cut to ED programs, including eliminating SEOG, cuts to Work-Study.
- Transfer of a part of surplus that has built up in the Pell Grant account to the general Treasury.
- Cuts to GEARUP and the TRIO college prep programs for low-income students.
- Full Budget with details, proposals for all programs, expected mid to late May.



HEA Reauthorization

- Process began in 2014, but restarting this year.
- Six new Republicans, six new Democrats on Education and the Workforce Committee, new Chairs.
 - Education process for new members ongoing.
- Senate HELP Committee has two new members, one Republican and one Democrat.
- Tied up with confirmation hearings, health care legislation.
 - Secretary DeVos' one of most contentious confirmation processes; hard feelings from both sides.
 - Hearings probable for lower ranking appointments at ED - unusual.



HEA Reauthorization

- House planning series of hearings this year; first one held in March in Higher Education Subcommittee.
- Perkins strongly supported by one witness from UCLA.
 - Campus-based programs in general supported by another witness from a community college.
- Other witnesses talked about “simplification” - code for eliminating SEOG and Perkins.
- Senate likely to schedule at least a couple of hearings this spring after confirmations are done.



Higher Education Areas Being Reviewed by the Administration and Congress

Fix the FAFSA

- Over the years there has been bipartisan support to make substantial modification to the application. The difficulty will be gaining consensus.

Summer Pell

- Another area that has bipartisan support. This is one item that could be included in the FY2017 final budget, particularly as a result of reported Pell Grant surpluses.



Higher Education Areas Being Reviewed by the Administration and Congress

Accreditation Reform

- While there is bipartisan support, getting consensus on “what this means” will be challenging.

Loan Repayment Plan Simplification

- Almost certain to be one of the first policies where consensus can be achieved and depending on the plan, might produce budgetary “savings” that would enhance chances of passage in a budget bill.



Congressional Views on Perkins

- Majority of those with an opinion support Perkins.
 - Includes almost all Democrats and many Republicans on House E & W Committee.
- Senate HELP Chairman Alexander wants to end Perkins and SEOG.
 - Democrats strongly support both; most Republicans also support them.
- Some “think tanks” think one-grant, one-loan is the way to go. Campuses disagree.
- Legislation expected to extend/reauthorize Perkins.



Congress and Perkins

- Still much to be decided this year, with reauthorization process continuing, new administration getting its people in place, controversies galore slowing things down.
- COHEAO pushing for action before September 30th.
- Working on addressing budget scoring issue - continuing Perkins should not be counted as a cost to the government.
- Working on extension/reauthorization/Campus Flex.



FAFSA and DRT

- Data Breach Impacts 100,000
- Also Impacts Income-Driven Repayment
- Could be October 2017 for Fix

Public Service Loan Forgiveness

Must be enrolled in the correct IDR program with the correct type of loans.



Legislative Activity

Subjects of Recent Bills in House and Senate

- Immigration: HR 2071
- Simplification: HR 2070, HR 2072, HR 2015, S 799, HR 1283, S 749
- Pell Grants: HR 2007, HR 2084, S 900, S 840
- Veterans: S 882, S 844, HR 1956
- Institutional Requirement: S 888, HR 1767
- Loan Forgiveness: HR 1937

