

Financial aid stuck in Congress

By VALERIE MCINTYRE

Editor's note: McIntyre is a member of the board of directors of the National Student Lobby (NSL).

Students and their parents trying to make plans for meeting college expenses next school year face prolonged confusion over prospects for federal aid. (Approximately 40 percent of all University students). The battle on Capitol Hill is over priorities and funding levels for the various student aid programs run by the U.S. Office of Education. The outcome is linked to the broader tug-of-war between President Nixon and Congress for control of the federal pursestrings.

The OE is still hassling with administrative groundwork for launching "basic opportunity grants," the massive program authorized last year with its new needs standards and delivery system. Skeptics already doubt the venture will be ready to aid students next fall.

The Congressional budget hassle means weeks may pass before millions of anxious students and their bill-paying parents, as well as the colleges they may attend, will gain a clear fix on how much federal money — under which program — will be available for the 1973-74 academic year.

First Priority of National Student Lobby

The first priority of NSL's Second Annual Conference was funding for student financial aid programs. Delegates lobbied for:

1. Early action so that these programs can be administratively implemented by September, 1973, and so students may financially plan for the next academic year; currently, they have no indication of what programs will be funded, the dollar amounts in them, and the restraints on eligibility to guide them in planning.

2. Funding for existing programs — College Work-Study at \$250 million, Supplemental Educational Opportunity Grants (SEOG) at \$130,093,000 and National Direct Student Loans (NDSL) at \$286 million (as required by the Education Amendments of 1972); to be funded before BOG's.

3. \$622 million for Basic Opportunity Grants (BOG), this year and \$959 million next year, as requested by the Administration; and

4. A 25 percent increase in the total student assistance appropriation. Part-time, technical and vocational students are, for the first time, eligible for aid and are expected to decrease financial aid to two and four year college students by 25 percent. Therefore, we need over \$1 billion just to stay even with last year.

5. Direct Loans (at 3 percent interest) should not be replaced by insured bank loans (at 7 percent interest).

6. Veterans cost-of instruction payments (\$25 million impounded and community service work-study jobs (\$25 million authorized) should be funded.

Background

Perhaps some background information

may be helpful in understanding this legislation in its total perspective.

Basic Opportunity Grants: The key to student financial aid. Basic Opportunity Grants (BOG's) are a new program enacted in 1972 with a potential additional \$1 billion per year in student financial aid for up to 2 million students. The additional \$1 billion is crucial in keeping institutions of higher education from raising tuition for all students. BOG's are "entitlements" of \$200 to \$1400 per student for each academic year. BOG's are the cornerstone of each individual student's financial aid package (including Supplemental Opportunity Grants, Work-Study, Direct Loans (formerly National Defense Student Loans) and Federally Insured Bank Loans).

In addition to BOG's, Congress in 1972 also required by law that these existing financial aid programs be funded (at \$130 million for Supplemental Opportunity Grants, \$250 million for Work-Study, and \$286 million for Direct Loans) before any money can be appropriated for BOG.

This insures that existing programs are protected in funding so that BOG's are not simply a substitution of one program for another. This is good news when most federal domestic programs face substantial cuts.

Perhaps the greatest question surrounding BOG is whether the time constraints will allow the program to be operational in time if appropriations are completed by early April. The most serious drawbacks — contracting an agency to run the program devising a computer system, establishing a family contribution schedule — will all be problems in the first year of the program, whatever year that would be. NSL sees no reason to delay beginning what is an essentially sound program.

Supplemental Opportunity Grants, Work-Study: Supplemental EOG's, formerly Educational Opportunity Grants, under the 1972 Amendments have become supplemental aid for students ineligible for BOG's and for BOG recipients for whom BOG is not sufficient. Unfortunately, President Nixon has not requested any funds for Supplemental EOG's but has proposed substitution of BOG's for them.

On this question alone, there is a major hassle in Congress. SEOG would offer up to \$1500 per year to low income students receiving Basic Grants and to higher income students who will not qualify under BOG. The program is particularly necessary for students attending private institutions which have high tuition.

National Defense Student Loans: NDSL, which began in 1958, has benefitted more than 2 million students. This program has been funded for 1973, however, the Administration has proposed replacing NDSL's three percent loans with Federally Insured Student Loans (FISL) at seven percent interest. Whereas NDSL loans are made by colleges, FISL loans are made by banks. National Student Lobby (NSL) believes seven percent loans would discourage low income students and those who do not expect to make substantial

salaries upon leaving undergraduate schools. More importantly, banks have often refused to loan to 1) underclassmen, 2) more than \$1,000, and 3) to low income students.

Currently there is hesitancy among some student financial aid officers and higher education associations to fully support BOG appropriations. Hesitancy stems from difficulties in administratively setting up the BOG procedures by September to prevent administrative confusion. NSL's close monitoring of Department of HEW indicates that although there may be problems, the program can be operational due to the extensive work already done.

Another hesitancy of the educational association is attributable to their interest in funding many other programs than simply student financial aid. Among major cuts in higher education are libraries, community services, land grant support, and institutional aid. Strategy for higher education funding is for students and institutions to join together to meet the common financial crisis.

The Committee for Full Funding of Education Programs, a strong coalition of education groups including NSL, the National Education Association, and the American Council on Education, has developed such a strategy, and it places No. 1 priority on funding BOG's at \$1 billion per year as the most realistic way to help both students and their parents as well as institutions. Some financial aid officers have considered postponing funding of BOG's until September of 1974, but this is very dangerous since the first year of appropriations for every program is crucial in determining the level of appropriations in future years.

Impact of NSL Conference

March 1, 1973, was the first day in history that the formerly secretive House Appropriations Subcommittee on Labor — HEW opened its meetings to the public. Those watching the subcommittee members exerted new pressure by their very presence, and a large proportion of those present were student delegates to the NSL Conference then in process.

Possibilities

I have written to Oregon's six Representatives and Senators. Edith Green has since assured me that she is keenly aware of the timing factor and has also stated that there is an outside possibility that the student financial aid programs may be taken out of the total appropriations bill and made into a special piece of legislation (so that final committee action can be expedited and brought to the floor immediately).

Last Thursday, the House Appropriation's Sub-Committee on Labor; HEW passed legislation which includes: \$122.1 million BOG, \$210.3 million EOG, \$270.2 million CWSP, and \$269.4 million NDSL.

The Senate has unanimously endorsed this and it will reach the House floor any day. Congressman Pell (D-RI) will undoubtedly offer an amendment to fund BOG at \$500 million and not to fund NDSL until 1974.

It is in the best interest of students that the House Sub-committee recommendations be appropriated and that it get the Nixon approval immediately so that implementation processes may begin at once.

At the State Level

The Oregon State Board of Higher Education, at their last meeting, recommended that the legislature be asked to increase state financial aid by \$1 million: \$500,000 in CWSP and \$500,000 in state grants. Now, however, the Board has asked that the Educational Coordinating Council and the Oregon State Scholarship Commission make the request to the legislature in behalf of all educational segments, and that the \$1 million request be increased proportionally.

The OSSC will also request that the legislature allow them to make the remainder of the biennial request available for short term loans after the first year's programs are administered. After the State Need Grants, Cash Awards, and Guaranteed Student Loans, approximately \$3 million could thus be made available for short term loans, to be repaid by the second year of the biennium.

If Federal money is not forthcoming, or if the size of individual grants met by state appropriations increases significantly, tuition raises are a likely alternative.

The ECC and the OSSC will present their testimony in the latter part of April or early May. Student testimony may be needed. At any rate, the financial aid situation, both state and federal, should be much clearer by the middle of May.

What You Can Do As a Student

Write, phone, or telegram your Congressmen, especially those on the House Appropriations Committee (Edith Green, Wendell Wyatt - Oregon), and the two Oregon Senators — Packwood, Hatfield.

An individual letter should be as personalized as possible and should include such things as "Dear , I am currently a student at the University of Oregon. I wish to voice my support for the continued funding of the College Work Study program, the National Direct Student Loans, and the Educational Opportunity Grants. The funding of these programs is very important to me because —"

Such programs enable many students who otherwise would not have the means to attend a post-secondary educational institution. I also wish to voice my support for the establishment and funding of the Basic Opportunity Grants program as an important addition to the three existing programs. Thank you very much for your consideration.

Letters

Anti-Semitic

The purpose of the Oregon Daily Emerald, as I have understood it, is at least in part to inform and serve the University community. I stand corrected if your real purpose is to make a profit and no one has told me.

You request a sizeable chunk of the incidental fees every year in the form of a contract with the ASUO to make up the deficit between operating costs and the amount of classified advertising received. I don't question your right to ask for a part of the incidental fees. One purpose of these fees is to subsidize the student organizations.

However, there are some student groups

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on campus who do not request funds for the maintenance of a bureaucracy and who depend on you, Mr. Emerald, for the advertising of their meetings in the Briefs. I belong to one of these groups, the Jewish Student Union. We have virtually no budget and no other way of announcing our meetings save through the Briefs.

Now the system of the Briefs is far from perfect because the number included in each edition of the Emerald seems to be contingent with the space available and "other factors." It is the "other factors" that I would like to question. For the last two weeks our briefs have been completely left out while a substantial number of others have been printed. Consequently we have not been able to have a meeting so far

this term. When I dare to approach your office to complain about this, I am told that there are other factors besides space which determine whose briefs get in the paper, such as a) the campus news editor's discretion, b) whether the night editor can understand the brief, c) how the night editor is feeling at the time, etc.

I have heard in the past several vicious rumors about the policies of the Emerald. I have heard the words "racist" and "sexist" to mention a couple. Well, possibly the enemies of the Emerald, those people who feel that a student newspaper that uses incidental fees should be accountable to the students, would want to use the wornout and only semi-credible term "anti-Semitic" too. This may sound

rather far-fetched except when you consider whose briefs get in and whose are consistently left out.

I would like to see the Emerald devote more space to the Briefs or at least decide on a first-come first-serve basis if space really has to be limited. Possibly you should decide just who you are serving: your readers or your classified ad subscribers, and who you are accountable to.

Nancy Harrowitz

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