



American Federation
of Teachers, AFL-CIO

AFT Teachers
AFT PSRP
AFT Higher Education
AFT Public Employees
AFT Healthcare

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September 8, 2005

Committee on Health, Education, Labor
and Pensions
United States Senate
Washington, DC 20515

Dear Senator:

On behalf of the more than 1.3 million members of the American Federation of Teachers (AFT), including 150,000 higher education professionals, I write to express our views on the U.S. Senate Committee on Health, Education, Labor and Pension's consideration of amendments to the Higher Education Act (HEA).

Every HEA reauthorization since 1965 has focused on the expansion of college opportunity. We appreciate that the Senate bill moves this legacy forward in a bipartisan manner, by focusing on students and providing some of the necessary supports for them to enter and succeed in college.

For example, we are pleased that the Senate recognized the need to increase the authorization levels for Pell Grants so that they do not continue to lose purchasing power. We also appreciate the retention of the low fixed-interest rate for consolidating student loans. Additionally, we appreciate the increased support of the Direct Loans program.

It is our hope that the increases in student aid will remain despite the directive from the Senate Budget Committee to make drastic cuts for reconciliation. The AFT firmly believes that the budget should not be balanced on the backs of those in most need. In the aftermath of Hurricane Katrina's devastation, we should be supporting programs to get Americans back on their feet and ensuring that supports for federal student aid programs are available.

The AFT also is pleased that Title II of the bill focuses on the key issues of teacher recruitment, preparation and retention through its support of programs such as mentoring and career ladders for paraprofessionals as well as induction, internship and residency programs for new teachers. The focus on high-need schools also is significant.

There are, however, several other issues that concern us. Chief among these is the lifting of the "50 percent" and "90/10" rules, both of which we believe have served to protect the integrity of the student aid program. Of equal concern is the inclusion of language in the legislation based on the so-called "academic bill of rights."

In addition, under Title II we would like to see a recruitment and retention program for urban areas along the lines of that which is authorized for rural schools. We also have a specific concern about Title II's support for "value-added" programs to evaluate teachers. Such programs have not been thoroughly developed, researched and rigorously evaluated.

The AFT believes that the current HEA reauthorization represents a tremendous opportunity both to improve access to higher education for America's low- and middle-income students and to improve the quality of teacher education and preparation programs.

We respectfully request that you review the AFT comments on the bill, that we have done jointly with the NEA, which are attached. We look forward to working on improving the bill as we move through the legislative process and to addressing the issues of great importance to AFT higher education professionals and the students they serve.

Sincerely,

A handwritten signature in black ink, appearing to read 'KWC', written in a cursive style.

Kristor W. Cowan
Director, Legislation Department

KWC:gd opeiu#2 afl-cio
Enclosures (1)

**Comments of the American Federation of Teachers and the National Education
Association on the Senate Bill to Amend the Higher Education Act
September 8, 2005**

Pell Grants

The AFT and the NEA support the increases to Pell Grants, which serve as the cornerstone of the federal government's commitment to help low- and middle-income students pay for college. The increase to a maximum level of \$6,300 over the next six years is significant but falls short of doubling the grant award to \$11,600, which we support.

The increases to Pell Grants are important because students who depend on these funds already have seen the purchasing power of their grants cut in half during the past two decades: The maximum Pell Grant, which covered 84 percent of "average fixed costs of four-year public institutions" 20 years ago, covers only 42 percent of these costs today.

The AFT and the NEA support the increases to the Pell Grant maximum as outlined in the Senate bill and any efforts to further increase it.

The AFT and the NEA also support the inclusion of Pell Grants for year-round use and the creation of the new ProGAP program, which will provide additional Pell Grants for the neediest students.

Loans

Direct Loans

The AFT and the NEA believe that one barrier to access has been the ever-increasing loan burden students must shoulder—particularly our nation's low- and middle-income students. We think priority should be given to lessening the pressure created by loans, while also increasing Pell Grants. The AFT and the NEA support the inclusion of the bipartisan STAR Act, which moves toward ensuring greater access while lessening the debt burden by creating incentives for institutions of higher education to switch to the federal Direct Loan program. The AFT and the NEA support any efforts by the committee to move in this direction.

We also support the bill's inclusion of additional funding for the Direct Loan program. Because direct loans are less expensive to administer, the increased funding to the program will mean more access to higher education for more students.

The AFT and the NEA support any efforts to include the STAR Act in the bill as well as language in the bill that provides increased funding for the Direct Loan program.

Consolidation

The Senate bill continues to allow students to consolidate their loans at a fixed rate. The current system has provided struggling students with a fixed-payment structure that allows them to budget and plan accordingly. We support retaining this option because a variable rate, as proposed in the House bill, has the potential both to make college significantly more expensive for students and their families and to make financial planning more difficult.

Interest Rate Cap on Student Loans

Retaining the interest rate cap on student loans, as the Senate bill does, allows students to keep their loans affordable. Just a few years ago, Congress passed legislation to ensure that beginning in July 2006, students would not be forced to pay more than 6.8 percent interest on their student loans. We applaud the Senate for not breaking its promise to students.

PLUS Loans for Graduate Students

The AFT and the NEA support the changes in the PLUS loans that will allow graduate or professional students to participate in the program. The availability of the PLUS loans for graduate students will ensure that they will have access to additional funds not covered by their current financial aid package. This is especially important for graduate students who often find themselves running out of federal student aid options and turning to private loans, which often have higher interest rates.

Single Definition, 50 Percent Rule and 90/10 Rule

The AFT and the NEA are concerned both with ensuring the proper management of federal funds and protecting students and taxpayers against fraud and abuse. Although the Senate bill maintains separate definitions for public/nonprofit institutions and for-profit institutions, repeal of the “50 percent rule” and the 90/10 rule is an ongoing concern.

The AFT and the NEA oppose changing the 50 percent rule, which has ensured integrity in federal student financial-aid programs while acknowledging that an element of “face-to-face” interaction should be part of an undergraduate education. With the lifting of the rule, the AFT and the NEA believe there needs to be strong language to protect the student-aid program from fraud and abuse. We support any efforts to strengthen the language in the Senate bill to provide safeguards against fraud and abuse as recommended in a GAO audit of a model distance-education program.

Finally, we oppose the lifting of the so-called 90/10 rule which mandates that for-profit schools demonstrate that 10 percent of their revenue is derived from sources other than federal student-aid funds. The 90/10 rule was put into effect to ensure that federal student aid was not the sole funding stream for these schools. As a result of the implementation of that rule, fraud and abuse in federal student-aid programs have drastically been reduced. There is no evidence to believe this protection is no longer

necessary. Although the Senate bill provides some modest language as a replacement for the 90/10 rule, we believe it is insufficient to ensure against fraud and abuse. We support any efforts to reinstate the 90/10 rule.

Student Speech and Association

During the 40-year history of the HEA, Congress has repeatedly rejected the idea of imposing federal control over the professional operation of our country's colleges and universities. Congress has rightly understood that academic policy is best left in the hands of governing boards of each institution and that curriculum and teaching are not areas that require government intervention. Our nation's system of higher education reflects the academic diversity and views of its students, professors and programs. This diversity has been a key factor in establishing America's primacy in higher education. Further, the internal procedures that higher education institutions have developed to ensure objectivity and high standards—academic freedom, tenure and shared governance—have been an integral part of building and sustaining our world-class reputation for educational excellence.

Section 104 would violate these longstanding principles of academic autonomy by delineating a set of government guidelines for policies on college campuses nationwide. Congress should recognize that virtually every college and university already has adopted procedures to ensure a fair resolution of complaints by students who say they are being treated unfairly for expressing opinions in their coursework. As a result, Section 104 appears to be a solution in search of a problem that simply does not exist. We support any efforts to strike this language from the bill.

Transfer of Credits

The Senate bill contains language that would prohibit institutions of higher education from basing their credit-acceptance policies on the accreditation of the sending institution if the accrediting body is recognized by the U.S. secretary of education. The new federal mandate would effectively eliminate all distinctions based on accreditation, and would force many institutions to spend time and money developing new transfer policies.

The AFT and the NEA are concerned with this mandate, because institutions should be allowed to exercise their best judgment with regard to the academic terms and conditions their students must meet to earn their credentials. In addition, we are very concerned that by denying institutions the right to set higher standards than those set by the U.S. secretary of education, the new federal transfer mandate would eliminate an important tool without providing additional alternatives.

We support any efforts to strike this transfer-of-credit language from the bill.

Graduate Fellowships

The AFT and the NEA are concerned about the lack of minorities and women entering graduate school, securing their doctorates and eventually becoming professors. Unfortunately, the numbers of minorities and woman entering doctoral programs and becoming professors is declining.

To this end, we support the Senate bill's inclusion of the Patsy Mink Fellowship program, which will provide funding for women and minorities to enter doctoral programs if they agree to teach in a degree-granting postsecondary institution.

Title II: Teacher Education

The AFT and the NEA are pleased that the bill being considered keeps the structure of Title II, which has functioned productively in many respects. Additional efforts to align Title II with the No Child Left Behind Act (NCLB), when applicable is also a positive step. The AFT and the NEA are encouraged by the identification of community colleges as vital partners in the preparation of teachers. Community colleges can play a key role in preparing future teachers by providing a solid liberal arts foundation before a student enters into the final years of teacher preparation at a four-year institution.

The AFT and the NEA also are pleased that Title II of the bill focuses on the key issues of teacher recruitment, preparation and retention through its support of programs such as mentoring and career ladders for paraprofessionals as well as induction, internship and residency programs for new teachers. The focus on high-need schools also is significant.

In addition to these programs, we would like to see a recruitment and retention program for urban areas as is authorized for rural schools. We also have a specific concern about Title II's support for "value-added" programs to evaluate teachers. We are concerned that such "value-added" programs have not been thoroughly developed, researched and rigorously evaluated. It is also essential that teachers be a part of any decision to use a value-added system. While we hope that measurement systems will become more refined and credible in the future, we believe that more research, study and psychometric guidelines are necessary before this evaluation tool is used to reward teachers.