

Congressional *Factsheet*



United States Student Association

FY2007 APPROPRIATIONS

USSA URGES CONGRESS TO:

- ✔ Increase the maximum Pell Grant by \$450 to \$4500
- ✔ Increase SEOG by \$229 million to \$1 billion
- ✔ Increase LEAP by \$35 million to \$100 million
- ✔ Increase Federal Work Study funding by \$170 million to \$1.15 billion
- ✔ Increase Graduate Grant Aid GAANN by \$20 million to \$50 million
Javits by \$7 million to \$17 million
Thurgood Marshall by \$3 million to \$6 million
- ✔ Increase GEAR UP funding by \$47 million to \$350 million
- ✔ Increase CCAMPIS grant funding by \$19 million to \$35 million
- ✔ Increase TRIO funding by \$58 million to \$886 million
- ✔ Increase the Perkins Loan program Cancellations by \$55 million to \$120 million
- ✔ Restore the Perkins Loan program Capital Contributions to \$100 million

FY2007 Budget Outlook

On February 6, 2006, the President released his FY2007 budget, leaving higher education behind. The budget proposes to completely eliminate several programs that are essential to providing greater access to higher education. An example is the LEAP program, which is crucial for sustaining many state-based financial aid programs. The Perkins loan program is eliminated in the budget, though it is a vital component for many low and middle-income student financial aid packages. The budget also proposes to end GEAR UP despite its significant impact on making college a reality for low-income middle and high school students. Two TRIO programs are eliminated; Talent Search and Upward Bound, which currently serve over 455,000 students. The Thurgood Marshall program is also terminated in the budget, which would decrease funding available to low-income law students.

The President's budget maintains the maximum Pell Grant award at \$4,050, making this the 5th consecutive year that the Pell Grant has been level-funded. In FY 2006 the Pell Grant program ran a surplus of \$273 million. The President refused to use this surplus in order to increase the maximum Pell Grant award. Instead, the budget also allocates less money to the overall Pell Grant program. These proposals would make college less affordable for millions of students. USSA strongly believes that creating access to higher education involves all of these programs and students need Congress to make higher education the priority for FY 2007.

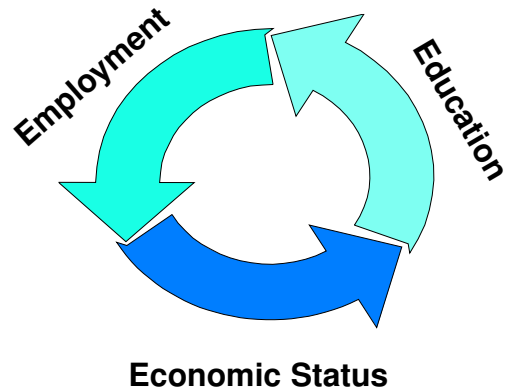
Students are running USSA's national campaign "Grant Aid Now!" on campuses to mobilize the student voice around our funding requests for the appropriations process. Students want Congress to do better than the President's budget for education. USSA is working in coalition with the Student Aid Alliance and the Committee for Education Funding (CEF) to gain greater funding for federal student aid programs, which in return, will create access for students across the country.

Please Make Education a Priority in the FY2007 Appropriations Process

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Breaking the Cycle

Education determines employment eligibility. Employment influences economic status. And economic status affects one's access to education including access to education for one's children. This cycle perpetuates low income employment, low economic status, and a lack of education. **WE HAVE TO BREAK THE CYCLE!** The programs listed below work together to provide access to higher education for all students. All of the programs must be funded at adequate levels before true access to higher education can be attained. Annually, we fight for increases that will help expand access to higher education because education is a right and not a privilege!



THE PROGRAMS

Pell Grants: Pell is the most basic grant for low-income students. It is a "quasi-entitlement" program meaning that although it is part of appropriations every year, anyone who qualifies gets a grant. The maximum grant for fiscal year 2006 (the '06-'07 school year) is \$4,050. Students from the poorest families receive the maximum Pell grant. The minimum grant is \$400. The program works on a sliding scale so every time the maximum grant increases, the minimum grant reaches into higher incomes.

Supplemental Educational Opportunity Grant Program (SEOG): SEOG is a grant program for low-income students. It is a matching program where institutions match 25% of federal dollars. In FY2006, SEOG was funded at \$771 million. With these institutional matching funds, almost \$975 million is given in total aid to students. The federal government's role is crucial; without the federal contribution, low-income students would receive a fraction of their current grant awards. The program currently serves over one million students. Aid administrators determine who receives which awards, but Pell recipients and students with the lowest expected family contribution are given priority.

Leveraging Educational Assistance Partnerships (LEAP): LEAP is a grant program targeted at low-income students. LEAP provides a federal match to encourage states to retain and expand their need-based student aid programs. Under \$30 million in federal appropriations requires a dollar for dollar match from the states. For funds above \$30 million, states must match two new dollars (more than they awarded the previous year) for every one federal dollar. Such funds can be used for expanding awards, new scholarships or early intervention programs. In the current environment of shrinking state budgets, federal matching programs like LEAP are especially important to maintain state investment in grant aid.

TRIO: TRIO funds outreach and student support services to individual students in one of 5 TRIO programs. These programs include Upward Bound, Student Support Services, Talent Search, Educational Opportunity Centers, and Ronald E. McNair Post-Baccalaureate Achievement. Its services range from early outreach to in-school academic support, and even research fellowships after graduation. It currently only serves 7% of the eligible population of low-income and first-generation college students due to lack of funding.

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP): GEAR UP is an early intervention program that targets an entire class (6th or 7th grade) and helps them through high school to college with mentoring, tutoring, and academic or career counseling. The program provides grants to states and to partnerships of low-income middle/high schools, colleges and universities and community organizations.

Child Care Access Means Parents in School (CCAMPIS): CCAMPIS provides grants to schools to start or expand childcare facilities on campus. The program encourages schools to leverage local or institutional aid and to provide a sliding fee scale for students who use the childcare center. CCAMPIS received less funding in FY2006.

Perkins loan program: Perkins loans provide low interest loans (5%) to low-income students. The first aspect of the program is the federal capital contribution. The program operates off a revolving fund as schools distribute the loans, meaning that as students pay back loans to schools, the schools use that money to give new loans. The Perkins loan cancellation portion pays back schools when Perkins loans have been forgiven for undertaking certain public service employment such as teaching at Head Start or nursing. Average Perkins loans are about \$1500.

Graduate Grant Aid: Graduate Assistance in Areas of National Need (GAANN) awards fellowships through grants to colleges and universities for graduate students studying in areas of national need, mostly science and technical fields, who show high ability and need. Schools who participate must recruit students from traditionally under-represented backgrounds. Javits fellowships provide aid for up to 4 years for students in the arts, humanities and social sciences pursuing the doctoral or terminal degree. The Thurgood Marshall program was designed to assist talented, economically disadvantaged students pursuing a career in law.

Federal Work-Study: Work-Study provides students with income-generating jobs on campus, in the community or in the private sector to supplement other financial aid. Currently, over 760,000 students participate in the work-study program. Schools must provide a match of at least \$1 institutional dollar to \$3 federal dollars.