

## Don't fix deficit by penalizing students

BY NOMI PRINS

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A quarter of a century ago, Pink Floyd declared "we don't need no education." But while most of us realize it's just a song, Congress has decided to dust off the attitude, literally.

As part of the current budget-balancing exercise, the House Committee on Education and the Workforce is revisiting a bill from the summer that cut \$8.7 billion from higher education financial assistance programs.

That was a fourth Iraq war addendum, a hurricane and an indictment ago.

Now, the committee wants to chop more from the \$37 billion education entitlement pot, bringing total cuts up to \$15 billion during the next five years. This means hacking available funds by 40 percent. The House is set to vote on the reconciliation bill that includes these recommended cuts tomorrow.

According to David Warren, co-chair of the Student Aid Alliance, a coalition of some 60 organizations representing 16 million college students, "These budget fixes are being levied on the backs of students."

To accommodate President George W. Bush's request for a \$50 billion across-the-board budget cut, this plan penalizes students. That's not a very visionary way to take care of the deficit, particularly since the education allocation represents a mere one-half of 1 percent of the total entitlement budget.

"That figure," says Tom Joyce, spokesman for Sallie Mae, the nation's largest student lender, "is remarkably disproportionate."

It's rare that a budget plan angers lenders, college presidents and borrowers alike. This one does. Lenders have used federal assistance to limit interest rates on student loans and for services like better technology, 24/7 help and quick turnaround approvals.

Cutting subsidies means lenders won't invest as much in the front end of the program. Some will

leave the business entirely, decreasing competition. More borrowing costs will shift to students.

On paper, the bill is partly an accounting shuffle, moving money around from entitlement to appropriation spending, calling it a cost savings. In practical terms, the Department of Education will no longer be guaranteed the annual \$1 billion of student aid against which lending institutions have had to compete, which kept interest rates lower.

College degrees mean higher earnings potential. College is expensive to begin with, but without it, career prospects are limited. Aid cuts affect those most in need, particularly at community colleges, where almost half of undergraduates begin their education.

Which is why the plan bugs me so much personally. It was at Dutchess Community College that I began my own pursuit of higher education, combining financial aid and jobs like hawking aluminum siding at Carl's Home Improvement Center.

Like I did, 80 percent of our country's college students get some form of financial aid. A third receive Pell Grants of at most \$4,050, an amount that increased by 74 percent between 1995 and 2001 and has remained flat ever since. The plan keeps these grant caps level, which effectively continues the downward spiral of their purchasing power for students in the future.

We reach an important milestone next year. A record number of students will graduate from high school. College enrollment is projected to increase by 14 percent over the coming decade. Four out of five of those additional students are minorities, half of whom are Hispanic.

One out of five will live below the poverty line. Financial aid isn't a luxury; it's a future-defining necessity.

Slicing programs hits hardest those who most require aid, at a time when their numbers are rising, contributing to the growing chasm in opportunity for millions of Americans.

Every six years, the higher education program is re-examined. We're here now. Another window won't happen until eighth graders hit college. When Newt Gingrich proposed chopping aid in the mid-1990s by \$20 billion, students voiced their concerns through protests and call-ins, and no reductions occurred. That needs to happen again.

Members of the committee should take responsibility for the future of Americans and do something truly radical - like increase the ability for more students to get a higher education.

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