

June 10, 2009

The Honorable Arne Duncan
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Mr. Secretary:

On behalf of the National Association of Student Financial Aid Administrators and the American Association of Community Colleges, we want to express our serious concerns about the outcome of the recent negotiated rulemaking on the year-round Federal Pell Grant. Our staff and members of our respective associations served as negotiators on the “General and Non-Loan Issues Team,” which failed to reach consensus on this issue. One of the primary issues that prevented consensus was the Department’s interpretation of the statutory phrase “accelerate the student’s progress.”

We believe that Congress intended to allow all Pell Grant recipients the opportunity to accelerate their academic advancement by making available a second Pell Grant in a given award year. We read the statutory language as including part-time students. However, federal negotiators argued that “acceleration” was meant to facilitate graduation earlier than a full-time student would normally achieve. Under the Department’s interpretation (as expressed in the final draft proposed rule language upon which the consensus vote was taken), students would need to complete one full academic year’s worth of work before becoming eligible to draw on a second scheduled Pell award within the same year.

We believe that this is contrary to Congressional intent as well as the letter of the law. There are two major, egregious problems with the Department’s stance.

First, the Department’s interpretation would disadvantage thousands of students who begin the award year by enrolling in a summer term on a part-time basis. Under the Department’s interpretation, it is unlikely that these students, even if they attend full-time in the fall semester, could complete the required number of credits needed to take advantage of the second scheduled Pell award in the following spring semester.

Second, the Department’s interpretation would be highly discriminatory to those students who receive disproportionately few postsecondary degrees and who are most in need of Pell Grant funds. Part-time students are more likely to be older, female, minority, first-generation college students, and they tend to lag in graduation and retention rates, according to a 2007 Department of Education report, “Part-Time Undergraduates in Postsecondary Education: 2003-04.”

The Department’s interpretation runs contrary to the very proposals and pro-education statements the Obama Administration has championed since assuming office in January. In a March 10 speech

to the U.S. Hispanic Chamber of Commerce, the President specifically pointed to the need to link older, adult workers to training for 21st century jobs:

“Let's recognize a 21st century reality: Learning doesn't end in our early 20s. Adults of all ages need opportunities to earn new degrees and new skills -- especially in the current economic environment. That means working with all our universities and schools, including community colleges -- a great and undervalued asset -- to prepare workers for good jobs in high-growth industries; and to improve access to job training not only for young people who are just starting their careers, but for older workers who need new skills to change careers.”

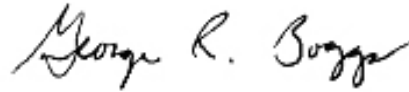
It is in this spirit that we ask the Department to give careful consideration to its proposed rules governing the year-round Pell Grant. All students should have access to year-round Pell Grants as long as they maintain satisfactory academic progress. It is irrational to deny a student who is making satisfactory academic progress a full Pell Grant for the summer term, but then permit that same student to receive the full Pell Grant the following fall. That forces a student in good academic standing to delay their academic progress for no good reason. Irrespective of their enrollment status, students who utilize year-round-Pell will not receive more funds over the course of their education, but will simply receive them in a timelier manner.

Thank you for your attention to this critical matter.

Sincerely,



Dr. Philip R. Day, Jr.
NASFAA President & CEO



Dr. George R. Boggs
AACC President & CEO