Student Aid Policy Proposals
October 20, 2011

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NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

1. ADMINISTRATION PROPOSALS

FY 2012 Budget Request/Pell Protection Act		
Proposal	**Passed?**	**Vehicle?**
Eliminate Year-Round Pell	Yes	FY2011 Final Budget Bill
Eliminate interest subsidies for graduate students	Yes	Budget Control Act
Debt conversion for students with split servicers	No*	
Restructuring of the Perkins Loan program	No	
Eliminate LEAP	Yes	FY2011 Final Budget Bill
Replace TEACH Grant with related program targeted toward students at the end of their academic program	No	

**The Administration hasn't moved forward on this but Rep. Tim Bishop (D-NY) and Sen. Sherrod Brown (D-OH) have both introduced a "Debt Conversion" bill. NASFAA has publicly supported both bills.*

See this Today's News article for more detail.

2. HOUSE PROPOSALS

FY 2012 House Appropriations Labor-H Subcommittee		
Proposal	**Passed?***	**Vehicle?**
Maintain $5,550 maximum Pell Grant for award year 2012-13	No	
Reduce lifetime Pell eligibility to 6 years down from 9 years	No	
Revoke Pell eligibility for students who attend less than half-time	No	
Eliminate Ability to Benefit options	No	
Reduce student Income Protection Allowances	No	
Reduce Auto-Zero income threshold to $15,000 down from $31,000	No	
Eliminate Pell awards to students whose EFC would result in an award less than 10 percent of the maximum award	No	
Reinstate previously excluded forms of untaxed income	No	
Level funding for FWS and SEOG	No	
Prohibit expenditure of funds to implement Gainful Employment, State Authorization, or Definition of a Credit Hour	No	

**No official vote occurred*

See this Today's News article for more detail.

3. SENATE PROPOSALS

FY 2012 Senate Appropriations Labor-H Subcommittee		
Proposal	**Passed?***	**Vehicle?**
Maintain $5,550 maximum Pell Grant for award year 2012-13	No	
Eliminate interest subsidy for undergraduates during grace period	No	
Level Funding for FWS and SEOG	No	

**No official vote has occurred*

See this Today's News article for more detail.