

# NASFAA's "Off The Cuff" – Episode 109 Transcript

Justin Draeger: Hey everyone, welcome to another edition of "Off The Cuff." I'm Justin Draeger.

Allie Bidwell: I'm Allie Bidwell, one of our Today's News reporters.

Megan Coval: I'm Megan Coval with NASFAA's Policy Team.

Justin Draeger: Stephen is representing us at a meeting today. Welcome everybody. We didn't do an "Off The Cuff" last week.

Allie Bidwell: We did not.

Justin Draeger: And it wasn't for lack of news, it was, two people were in all different directions-

Allie Bidwell: No. Crazy schedules.

Justin Draeger: In fact, I don't feel like I've seen you two, for two weeks.

Allie Bidwell: Just in passing, yeah.

Megan Coval: Yeah.

Justin Draeger: Were you traveling last week?

Megan Coval: Was I?

Justin Draeger: I don't know. Maybe?

Megan Coval: I don't know. I don't think so. I've lost track of time.

Justin Draeger: It all starts to blend together. I know I was traveling this week, and I just got back from WASFAA. Their 50th. The Western Association.

Megan Coval: Okay, yeah.

Justin Draeger: Do you ever get T-shirts and stuff at these association meetings?

Megan Coval: You know what I get that's my very favorite thing?

Justin Draeger: What is it?

Megan Coval: Mugs.

Justin Draeger: Mugs? What do you do with all these mugs? Also, how do you travel home with them?

Megan Coval: Wrap a T-shirt around them, yeah.

Allie Bidwell: You just wrap them up in a T-shirt.

Megan Coval: Like I have a MASFAA mug that I love.

Justin Draeger: For the Midwest or Massachusetts?

Megan Coval: I think it was Massachusetts, actually. But I've never... I don't think I've ever received a T-shirt.

Justin Draeger: Yeah, I get shirts a lot.

Megan Coval: You do? That's nice.

Justin Draeger: And that's a little weird, because people are making assumptions about your size.

Megan Coval: Yeah.

Allie Bidwell: It's like when you go to a baseball game and all they have is XXL.

Megan Coval: Yeah, in T-shirt...

Justin Draeger: And it looks like a night shirt that I might wear down to my knees. These folks... Usually people actually underestimate, so they give me smaller shirts. Which I guess is a compliment, but it's not wearable, because it's... I can't pull my shoulders in them.

Allie Bidwell: You could save them and then turn them into a blanket.

Megan Coval: Yeah.

Justin Draeger: Yeah, you know, my wife's a hoarder. So we have a lot of those projects around the house.

Allie Bidwell: Oh yeah. We have a whole bin full of Pascal's old T-shirts that he claims he's going to have someone make into a blanket.

Megan Coval: Do something with?

Justin Draeger: He's going to have "someone..."

Allie Bidwell: It's not going to be me. I can't sew.

Justin Draeger: Okay, all right. On the record right there. My point was, they gave me a shirt that, I love. It fits great, it's a collared shirt. It's blue.

Megan Coval: Like a polo?

Justin Draeger: Everybody around here knows... Yes. It's kind of like a polo. I love blue, NASFAA blue's my favorite. And we have submitted that the Crayola has a color... But it's great. You're going to see me in this a lot.

Megan Coval: Okay.

Allie Bidwell: Was it your favorite pre-NASFAA?

Justin Draeger: What, blue?

Allie Bidwell: That specific blue?

Justin Draeger: I got to tell you, I did not have a color before. I didn't have a favorite color.

Megan Coval: I didn't know that blue was your favorite color.

Justin Draeger: Yeah, I mean-

Megan Coval: I knew you-

Justin Draeger: Mostly because I wear blacks and grays all the time. Mostly.

Megan Coval: Yeah.

Justin Draeger: Yeah. I do. Yeah. People are always like, "Let's do something with NASFAA and the NASFAA logo", and you know our marketing department's always like, "How about this color, how about this one?" And every time I'm just like, "I like NASFAA blue."

Megan Coval: NASFAA blue. That good, reliable standard.

Justin Draeger: NASFAA blue. Yeah. Stick with... Let's just stay with NASFAA blue.

Megan Coval: That's nice.

Justin Draeger: A lot happening. It has been a while. All right. I have another question for you, okay? Because I was traveling out last night, I was thinking about this, and then this new story broke that made me think of you guys. Specifically you and Stephen, Megan. But a little bit you, Allie. Do you think Megan, Allie, has an accent?

Allie Bidwell: No.

Justin Draeger: You don't hear an accent?

Allie Bidwell: No.

Justin Draeger: What about Stephen?

Allie Bidwell: Actually, on... No. I don't think either of them have an accent, but I think certain words are pronounced differently.

Justin Draeger: Like what do you hear Megan say?

Allie Bidwell: That's why I almost didn't say it, because I can't think of one, off the top of my head.

Justin Draeger: All right. If you hear one, that'll be the magic word. This'll be like PeeWee's Playhouse. If you hear it, just shout. Do you think Allie has an accent?

Megan Coval: No.

Justin Draeger: You don't... So you guys would just categorize your accents as general American, right?

Allie Bidwell: I've been told before, someone specifically was guessing where I was from and guessed specifically Southern California. And they said that it was... they said I had an accent. A Southern Californian accent.

Justin Draeger: On what words? Do you remember?

Allie Bidwell: No.

Justin Draeger: So, did you guys see that this... I also don't think you have an accent. But sometimes I do hear it with you, Megan. But anyway, sometimes you'll retreat into it, when you start using the words of the region. This news story broke. They did a 1.5 million person survey, mostly through social media. And they were trying to categorize the... they called it, the sexiest accents around the country.

Allie Bidwell: Oh, yeah. I saw this.

Megan Coval: Yeah, I have thoughts on that.

Justin Draeger: Oh do you? Because, guess where... I hate to say it, but guess where Pittsburgh fell?

Megan Coval: On the un-sexy end of the spectrum probably.

Justin Draeger: Yeah. I don't know if this is a comprehensive list, but they were in the 40s. So...

Megan Coval: Yeah. It's a little more... But you're from Ohio and so I'm not sure, how much this bleeds over.

Allie Bidwell: Where was Ohio on this?

Justin Draeger: Well Ohio, I would put in the Midwest.

Megan Coval: But would you, I feel like in Pittsburgh, we say... Like, my mom would say, "Well over there in Ohi-a."

Justin Draeger: Ohi-a?

Megan Coval: Like Ohi-a. Over there in Ohio... Ohi-a. And, "Warsh."

Justin Draeger: Oh yeah, so that came up in the survey.

Megan Coval: My grandma always said that. My mom sometimes says it. But that, I just categorize that as more Midwest, I feel like Ohioans say that too.

Justin Draeger: Yeah. Not in Toledo, but we do a lot of the... We're more aligned with Chicago, Wisconsin, Michigan.

Megan Coval: Chicago? Do you say it that way?

Justin Draeger: Yeah, where the O's turn into A's. So instead of cop cars, it's cap cars.

Megan Coval: Oh, okay.

Justin Draeger: That's a lot of... I kind of had that beat out of me, when I moved west. I think I've adopted a just general-

Megan Coval: Yes, I agree.

Justin Draeger: ... accent. But my wife still has a very-

Megan Coval: Well like... what's something... what does she say, different?

Justin Draeger: All O's turn to A's. All of them.

Megan Coval: All her O's are turned into A's? Yeah.

Justin Draeger: And Southern California, actually ranked in the top 10.

Allie Bidwell: I feel like, Southern California's just talking more slowly.

Justin Draeger: More slowly-

Allie Bidwell: And more monotone.

Justin Draeger: ... more mellow, and like maybe-

Megan Coval: That fits, I feel like-

Allie Bidwell: People have told me before-

Justin Draeger: Pulling out your-

Allie Bidwell: ... I have a monotone.

Justin Draeger: Pulling out your vowels. Like, duuude.

Allie Bidwell: Yeah. Well there's this thing, that's like, Southern California English. Where, if you say, "Yeah, no", it means no. "No, yeah", means yeah.

Justin Draeger: Yeah. I know.

Allie Bidwell: And then... "Yeah, no, for sure", means definitely.

Justin Draeger: Oh boy.

Megan Coval: What was the sexiest? Australia...

Justin Draeger: No. It was just based here in the United States.

Megan Coval: Oh. I can't even think.

Justin Draeger: That's why some of this is, is like, what? There's like... Anyway, I could probably come up with four accents, in the United States. They came up with 50. Number one, though.

Megan Coval: Yeah?

Justin Draeger: Texas.

Megan Coval: Well, I can see that. That drawl -

Allie Bidwell: Wait. That was the number one?

Justin Draeger: That's what they said. Texas.

Allie Bidwell: I thought it-

Justin Draeger: Boston was number two.

Allie Bidwell: Okay. That's what I'm thinking of.

Justin Draeger: Which, I don't... I don't know, I mean. I was trying to picture people I know, from these areas, and how they talk. Yeah. So, the two Pittsburgh ones were up in the 40s. Philadelphia though, made it in the top 15, so...

Allie Bidwell: Mm-hmm.

Justin Draeger: ... there you go.

Megan Coval: Interesting.

Justin Draeger: This is what I found most interesting. Because they were talking about, this is a change from the past. That in the top 10, let me find this, okay? Overall, four of the top ten are linked to northeastern states, two are from the south, and two are from mid-western states. And California and Hawaii, each making the elite, top 10.

Megan Coval: Oh. Okay.

Justin Draeger: There you go. Megan, you're at the bottom end, of the list.

Megan Coval: I kind of like southern, I feel like-

Justin Draeger: Allie, you're near the top. General American was like, 32. So I'm kind of there in the middle.

Megan Coval: I feel like Pittsburgher's would take pride in that, though. That ranking-

Justin Draeger: Yeah.

Megan Coval: ... they're kind of like rough and hardy and-

Justin Draeger: Right.

Megan Coval: Yeah. They wouldn't want a sexy accent.

Justin Draeger: They don't want to be elitist.

Megan Coval: No. Right.

Justin Draeger: They want to be... yeah.

Megan Coval: Yeah.

Justin Draeger: All right. There's so much to cover. I-

Megan Coval: It's a busy time.

Justin Draeger: Yeah. We're going to have to be selective. Sorry, folks. If people have topics they want to talk about, we can try to get into them. But, we're going to try to hit the big ones, before... Let's start, because Megan, I know you've been working a lot. You've been our lead person on this one. The kiddie tax, issue. So, what's going on here?

Megan Coval: So for quite some time, since the mid-80s a portion of scholarships have been taxable. So, any scholarships that you receive, beyond tuition and fees, books and supplies, are subject to tax. But really, at a pretty... especially for low-income students, kind of at the rate of their parents. So, a pretty low rate. So that's not new, right? And I think that's an important point to make.

Megan Coval: But the tax law, that passed in December 2017, made a change, so that the portion of the scholarships that cover anything beyond tuition and fees, books and supplies, is now taxed as unearned income and is taxed at a much higher rate. So the rate of what trusts and estates are taxed at and this can be pretty significant. If you think of students who might have their whole cost of attendance covered by scholarships and grants in some form, and that can be cobbled together. We're talking about Pell, institutional, state, private. And, let's say they're at a more expensive institution, where room and board is pretty pricey. Some of the examples we worked through, those students could come around and be hit with a \$3000 plus, tax bill.

Justin Draeger: Crazy.

Megan Coval: Especially concerning for low-income students. Although I will say the tax applies to need-based aid, merit based, athletic scholarships, the whole deal. So our question... and it was our members that first flagged this... and this of course, went into effect Jan. 1, 2018, for the 2018 tax year, so really just kind of bubbled up when people were doing their taxes, this past month. Our question then, for folks on the Hill, is, did you mean to do this? Because I think our first thought was like, this doesn't seem right. And that was a huge bill, right? So anytime you have a piece of legislation that size, it's inevitable that there are things in it that maybe were unintended.

Megan Coval: And long story short, we've had several Hill meetings on this, and I think the impetus was that there was a... New York Times covered it, last week and got a lot of people's attention. And so, folks on the Hill said, "No, this actually isn't what we intended to do." So, the House is actually voting on some language today, that would contain a fix for this. And the Senate, will be doing the same. It's good news and it's an example of... I mean, this is true, it was one of our members that flagged it for us. We hadn't heard of it. Start working with other people, make the Hill aware... we're just lucky there's a big retirement related piece of legislation that's going through and we can kind of-



Justin Draeger: This is a rider.

Megan Coval: Stick it in there. Yeah, so that is good news. They're essentially just moving it back to the way that it was before. So, not saying that it won't be taxed at all, but just sort of, pre-2017 though.

Justin Draeger: Yeah. This makes a lot of sense. A lot of kudos to you and the team, for carrying the water on this one, Megan. Great work. And kudos to our member, for bringing this to our attention.

Megan Coval: Yeah.

Justin Draeger: Because, sometimes we don't hear about these snafu's, unless somebody raises their hand and says this need to be fixed.

Megan Coval: Yeah. Definitely. Yep. Good News.

Justin Draeger: Fantastic news. We'll keep our eyes open. Yeah.

Megan Coval: Oh. I should say too, just that, the fix is going to be retroactive. Probably through an amended return or... I'm not sure exactly how you would do it. But-

Justin Draeger: Could they make it up in 2019 possibly?

Megan Coval: Maybe, I'm not sure how. So you won't... so you shouldn't be hit with this, at all, which... that's even better, because that doesn't always happen.

Justin Draeger: Right. Fantastic. Thank you. Also, newsworthy I think, for a lot of our members in particular, the OIG, Office of Inspector General, just released a report in the last week, looking at the department and their verification, selection rates. Allie, you want to catch us up?

Allie Bidwell: Sure. This report was publicly released on Thursday. I believe it actually came out in April. But one of the-

Justin Draeger: So, on that note, real quick. The funny thing is, I don't think it was on their site until last week. I know the publication date says April, but-

Allie Bidwell: April 26th.

Justin Draeger: Yeah. And-

Megan Coval: We just didn't post it, but it was public.

Justin Draeger: Yeah. It was weird. Because several reporters asked, had you seen this, because the publication date's April. I was like, I get notifications when the OIG posts things, and I never saw this until last week.

Allie Bidwell: Yeah.

Justin Draeger: Okay.

Allie Bidwell: I don't really know what's going on, there.

Justin Draeger: Okay.

Allie Bidwell: But, it's out now.

Justin Draeger: Yes.

Allie Bidwell: And it was looking into FSA's oversight of verification, during the 2015-16 and 2016-17 award years. So the OIG's office highlighted two major findings. One was that FSA did not evaluate its process for selecting FAFSA data elements for verification. And the other, was that it did not effectively evaluate and monitor its processes for selecting students for verification.

Justin Draeger: All of that is-

Allie Bidwell: Which is like, stuff we've said.

Justin Draeger: Yeah. In a nutshell, what we're saying is it's not clear to us that there is a statistically valid model working behind the scenes, to determine who is being selected and what items are being selected. We did a survey not that long ago... it was in the last year, right? Where we surveyed members.

Allie Bidwell: Mm-hmm.

Justin Draeger: Now this wasn't a representative sample, but we got several large data sets from flagship institutions... large number of students, and we looked in community colleges and we looked at what percentage of them had Pell Grant changes after verification. Eighty-four percent had no change. So we kind of knew, before the OIG report, that it seems like a lot of work is happening for nothing. Yeah. And some testing will always happen. You will always have some of that, because part of good auditing is doing some representative samples.

Allie Bidwell: Random quality control

Justin Draeger: Exactly. But to the level that it was happening, and the documentation that was being required... I mean, we've talked a lot about this on the podcast before but...

Allie Bidwell: There was something else in the report too, that... And Megan Walter reported on this, and she told me that this was something we didn't know previously. But, it revealed that FSA has five selection groups, that it uses to determine how

applicants are selected, and then assigned to a verification tracking group. So those were listed in the story, which we'll put in the resources, as well.

Justin Draeger: I think for us, two things really, we'd like to see come out of this. One is, a more transparent and collaborative process on verification. I think people assume... people like policy makers sometimes assume like, "School's don't want to do verification because it's so much work for them and the student." Financial aid administrators are some of the most concerned people about program integrity that I know, because they don't want to see dollars going to the wrong families, because we fight so hard for these dollars, for the new students. So this idea that aid administrators just don't want to do the work, is insane to me. It doesn't make sense... there's just no common sense behind it. What they do want to do, is they want their work to be effective, and I think everybody in every industry would say that.

Justin Draeger: Nobody wants to just be doing something that has no effect on something broader. So, more collaboration. And then the second thing is, we really just need Congress to step in and override the data retrieval process, so that the IRS, can share data directly with the Department of Education. And then minimize the amount of income verification, that we're doing.

Justin Draeger: All right. We will keep pressing on those issues. Another thing happening just this last week. President Trump, which, I don't know... This kind of caught me a little off guard. So, he's been doing a lot of budget revisions recently. One of them that, as part of the revisions that he was submitting to Congress was, a \$1.9 billion redirect from the Pell Grant's surplus, to jump start other projects. Primarily used at NASA, for space exploration.

Justin Draeger: I got a question on this at WASFAA yesterday. Somebody asked if this was part of space force, that was proposed earlier. That's not my area of expertise. For all I know, NASA could surely use \$2 billion. I have no idea. I think the issue for us was... the big issue was, it wasn't that long ago that we were struggling to make up shortfalls in the program. Right now, what's the total surplus? And I was like, "\$8 billion, \$8.5 billion?"

Allie Bidwell: It's like, just under \$8 billion, I think?

Megan Coval: Yeah.

Justin Draeger: Okay, so \$8 billion. And this is a \$25, \$26, \$27 billion a year program so... Like \$8 billion relative to the annual spend is not that much of a rainy day fund. Especially when you consider... Now I know past is not prologue, so it's not to say we're going to have a recession just like the one we just had, but when a recession comes... The last time this happened if we're just looking at historical data... 2007-08, Pell Grants were around \$16, \$17 billion a year. You fast forward to 2010, Pell Grants had gone up to \$30 billion a year. So trying to think about that sort of gap, \$8 billion doesn't fill that gap. So we're very protective of

the shortfall, it wouldn't mean a cut to students today, but it would make it awfully hard to maintain funding for students in the future, when we have the next wave of people that go back to school out of the workforce.

Justin Draeger: So we're very protective of that.

Megan Coval: Yeah it's interesting. I just thought of this right now but... We're always told all the time that you can't move money around from bucket to bucket, so it's a sort of interesting argument too, to see them talking about moving our money in the labor/health/human services bucket, over to... I don't know what bucket NASA belongs to, but it's not ours.

Justin Draeger: Right.

Megan Coval: Because we've had a lot of serious debates before about... Especially with the National Institutes of Health, NIH. They've lent us money, we've lent them money, and that is never less painful but you sort of see the context of, you're all like...

Justin Draeger: In the same bucket.

Megan Coval: Yeah.

Justin Draeger: Yeah, this is a good example of like, part of policy work and advocacy work is trying to figure out... First of all, you know that Congress makes the rules, Congress can break the rules.

Justin Draeger: So that's sort of always there, but then you have to actually figure out politically, when is there an opportunity for them to break their own rules, and when will they not. Because there are times when we're advocating, and it's very clear they are not going to be doing cross-bucket subsidization. But other times when they're in a real pinch, last time we had the Pell Grant shortfalls, money was coming from all over. We were taking from mandatory, and moving it over to discretionary. We were cutting eligibility criteria, and authorizing language.

Megan Coval: Yeah, it happens all the time.

Justin Draeger: When the rubber hit the road, rules that they try to adhere to went out the window. Anyway, Congress would be the ones who has to appropriate this, not the President, and it doesn't appear that Congress has much of an appetite to take from the surplus.

Megan Coval: No, and astronauts need high levels of education-

Allie Bidwell: Yes there were a few... I remember reading that there were some NASA employees responding to this proposed cut on Twitter, being like, "it's great that you want to support NASA, but it's not going to help if there aren't-"

Justin Draeger: Yeah, there was one former astronaut who tweeted like, "I'm all for NASA funding, but not at the expense of low-income students."

Allie Bidwell: Right, yeah.

Megan Coval: Thank you, whoever you are.

Justin Draeger: Yes, thank you. All right, other things going on this week... House oversight hearing on for-profit institutions. Allie, do you want to catch us up there?

Allie Bidwell: Mm-hmm. So yesterday, the house oversight subcommittee on economic and consumer policy, held a hearing that was focused on oversight of the for-profit college sector, and one of the witnesses during that hearing was the Department of Education's acting under secretary, Diane Jones. There was also Robert Infusino, who was a former student at the Illinois Institute of Art, who shared his personal story. Lindsey Burke, from the Heritage Foundation. Chris Madaio, who's an assistant attorney general in Maryland, and David Halperin, who is an attorney and a councilor and he runs his own blog and is very in tune with-

Justin Draeger: Outspoken.

Allie Bidwell: ... yeah, and in tune with covering the for-profit sector very closely. So nothing super surprising from this hearing, it was very... The questioning was divided on party lines. Democrats were very much going in on abuses within the for-profit sector, student loan debt, how the department is handling borrower defense claims. Meanwhile, the republicans on the committee were saying there's abuse in every sector, there are problems in every sector, and it's unfair to target this one sector just because of their tax status.

Justin Draeger: Yeah. Another question I had at a conference that I was just at, was, "What are the biggest sticking points in re-authorization?" It's hard to miss that this is definitely... I have not seen Republicans and Democrats give an inch on their position in the last however many years, and at some point if they want a HEA they're going to have to compromise in some way on this. But I'm not seeing them move closer together. Republicans are definitely like, "What's good for the goose is good for the gander," so whatever you're going to do to the for-profit or proprietary institutions, we want it applicable to all schools.

Allie Bidwell: And they got into some other issues too, like gainful employment, and the 90/10 Rule. Lindsay Burke from the Heritage Foundation was saying that the 90/10 Rule should also be applied to all institutions, or that looking more closely at it, if you applied it to all institutions, many public institutions would fail.

Justin Draeger: Yeah. This is one of the things where I say, is a HEA possible? Besides all the minute details that they need to work out on areas where they actually agree, there are these big ones like this, Title IX, sexual assault where I say, "How are

you going to come together on this?" I'm not seeing a lot of compromise, so we will continue to watch.

Justin Draeger: The department just released details about a new experimental site, Federal Work-Study. Megan, are you going to catch us up here?

Megan Coval: Yeah, so they want to create a new site that would essentially give colleges and universities more flexibility to offer Work-Study for things like internships, apprenticeships, co-op's. Really sort of broaden the pool of what jobs would be eligible, and I think this is really in line with everything else we've heard from the Trump administration. I mean, they've been pretty vocal about the role of apprenticeships in particular, so-

Justin Draeger: Two questions about this, let me ask you. One is, embedded in this experiment, I'm wondering is there an implicit, or maybe it's even explicit, just sort of critique that Federal Work-Study is too college-focused? Like it's too focused on college jobs.

Megan Coval: Oh I think for sure.

Allie Bidwell: Yeah.

Justin Draeger: So you think it's explicit?

Megan Coval: Because they even talk about the tie to careers also, as a reason for doing this.

Allie Bidwell: And how students should be able to get work-study funds for doing things like clinical rotations, or required work things.

Megan Coval: Yeah. The thing is... I don't necessarily disagree with that, but I think folks that are in that camp and even that camp on the Hill, really do think that some of the other jobs that we might think of, like working in the library, or the dining hall, or monitoring a study hall or something like that. I think they don't want to see those there at all, and I think that's tough, because I think there's room for all of those.

Justin Draeger: Yeah, so I look at it as like ideally yes, I would want Federal Work-Study people to be employed in jobs that are aligned with their major. Outside of Federal Work-Study, I'd like college people, students, to be working at jobs that are aligned with their major. There's the ideal, and then there's the reality. So Judith Scott-Clayton in Columbia did research showing that work-study in general helps retain students. So there's value in just being involved in the Work-Study program, regardless of whether it's aligned. I always look at ideal, and reality, and we don't have to sacrifice one for the other. Do you remember what the deadline for the experiment was?

Megan Coval: 45 days from when they put this out. So I can't remember exactly what day it was, but schools have-

Justin Draeger: 45 days.

Megan Coval: ... 45 days after the publication.

Allie Bidwell: And I think that it went in the Federal Register today.

Megan Coval: Did it just go in? Yeah, so 45 days from yesterday.

Justin Draeger: So the other question I have about this, that I feel like there's some debate on, is that federal money going to subsidize labor in the private market. I don't have necessarily even a position on this, but some people certainly do, and they feel that it's questionable to create a jobs force program that were subsidizing some businesses over others. I don't know, but they're going to try it out as an experiment and we'll see what happens. I wonder if this will be through existing lines that they already have, or if these schools will be required to create new jobs entirely. Do you see what I'm saying? If you already have a program that's aligned, where you have sort of a work share, could you just plug something you're already doing, or are you going to have to go out and establish new jobs with private companies?

Megan Coval: I don't know. I imagine there's a fair amount of schools that might be really interested in this, because they already have things set up. And there was a Work-Study bill on the Hill, that pretty much mirrors this experimental site, that was really spearheaded by Northeastern University, because they have a lot of these co-ops and apprenticeships. Yeah, I don't know. My guess is that there's a fair amount of schools that have a lot of these programs they offer already, and would be pleased to be able to use the funds for that.

Justin Draeger: Everybody I think... This is probably the best new higher ed story in the last week is the Morehouse graduation speaker, billionaire Robert F. Smith, who announced, and apparently told the school shortly before he was going to speak-

Allie Bidwell: Oh I thought he didn't tell them at all.

Justin Draeger: No, he told some people I guess, like right before he was going to speak but they didn't have a lot of details. They don't have the program worked out yet, how they're going to do this. But he stunned the Class of 2019 there when he pledged just this last weekend, that he would be paying off all of their student loan debt. I'm sort of curious, what's your overall feeling on this, Megan?

Megan Coval: I love it.

Justin Draeger: Gives you all of the feels?

Megan Coval: Yeah, it does, and... yeah it does.

Justin Draeger: Allie?

Allie Bidwell: I feel like if I was a graduating student in that class, I would be super excited, but then immediately I think, well what about the class of 2018? What about the class of 2020?

Justin Draeger: So this is-

Allie Bidwell: And then I also think, how did we get into this situation that this is even necessary, that a billionaire has to come in and wipe out people's debt?

Justin Draeger: Wow, I have a lot of similar feelings on this. I was in line yesterday at the airport to come back to DC, and in the line I could hear people behind me. Somebody brought this up, and there was three of them, and they were like, "Yeah, did you hear about this billionaire at Morehouse who's forgiving the debt?" All of them were like... these were not higher ed people. They were like, "Yeah that's amazing. Wow. Imagine for those students. What a leg up." And then as they talked, someone was like, "Yeah, now imagine, what if you were in the class of 2018?" Just what you just said, and one of them was like, "Yeah, well what if you pushed really hard to graduate early and you just picked the wrong year, and you don't have your debt forgiven?"

Megan Coval: I guess that just to me... I don't know. I'm sort of like...

Justin Draeger: Yeah. Go ahead.

Megan Coval: This sounds rough I guess, but I'm sort of like, "Them's the digs, right?" This is a gift. He identified one group. Those students were very lucky yes, but I think of it versus like, he obviously has a substantial amount of money just in life in general, that can contribute to something like this. It made me think of whenever, was it Bloomberg that gave money to Hopkins?

Justin Draeger: Yes, to John Hopkins.

Megan Coval: And, if someone has a big chunk of change and wants to give it to a school, it makes me feel better to know that it's going to go right to paying off... Well they're not giving it to the school I guess to the students... off the debt. I don't know...

Justin Draeger: No, I agree with you Megan. I struggle with this, because I think no good deed goes unpunished, right? He's trying to do something good. I think the difference for me, because I agreed with you on Hopkins. People critique that, and I was like, "He should give it to a school that serves more needy students", and I'm kind of like-



Megan Coval: It's his money.

Allie Bidwell: It's his money. Yeah.

Justin Draeger: It's his money.

Allie Bidwell: We're not saying that it's not an incredibly generous thing to do.

Justin Draeger: But what Bloomberg did was set up a fund, so that future students would all benefit. So he was increasing access for... This is paying off a debt, and the reason I keep struggling is, because I say, it is an amazing thing to do, but this goes right to Elizabeth Warren's plan about erasing up to \$50,000 in debt, which is, how do you make reparations to the people who just paid off their debt? Or maybe tried really hard and accelerated their payments to pay off their debt, maybe at great sacrifice. I just keep going back and forth on this until my eyes cross, and then I'm like whatever...

Megan Coval: I feel like I'm being kind of, tough as nails on that but even with that too I'm like well, there have been lots of things over the course of history. We've started new programs and the people before don't get them, and the people after get them.

Justin Draeger: I mean, that's true. You're absolutely right, except this is such a big amount.

Megan Coval: You know, I just recently paid off my... I probably have a feeling of like, "Man I wish that was there for me," but it doesn't make me feel like, "Aww."

Justin Draeger: Okay, if you were-

Megan Coval: I don't know. Am I being like too?

Justin Draeger: No, no. I think you're a good balance, because I feel-

Megan Coval: I don't feel like I'm being a good balance.

Justin Draeger: No, I do, I just think... I mean I've been all over the map personally on this and how I feel, so I'd love to hear what our members think. I mean, if we were creating a student aid program we would not create it this way, obviously. This is a private individual.

Megan Coval: Well, right.

Justin Draeger: We would try to look for a fair way to distribute limited funds, that's what we always do. This is targeting one class.

Megan Coval: I wonder if he knew beforehand. He must have gotten the number from somebody, or do you think he was just like, "I feel confident that whatever the debt is"-

Justin Draeger: I think he asked, see that's why I think some... I thought I read the school kind of knew because he had asked, "Well what is the average debt here?" And he saw it, and he probably did some quick back of the envelope math, and was like, "I can cover that."

Allie Bidwell: Can you imagine?

Megan Coval: I get that.

Allie Bidwell: It's like covering the dinner check, like, "Don't worry about it, I got it."

Justin Draeger: Yeah.

Megan Coval: Right, at like Morton's or something, you're like...

Justin Draeger: Yeah, this isn't the dinner check at McDonald's. This is the dinner check at Morton's.

Allie Bidwell: Which even that, I'm like, "Ooof."

Justin Draeger: McDonald's or Morton's? If you would eat McDonald's today, I can hook you up.

Megan Coval: Do you ever... Okay I'm side-barring here but on that, one of the things that... Do you ever do that credit card roulette thing?

Allie Bidwell: No.

Justin Draeger: What is that?

Megan Coval: It's like... Nick and his friends have done... used to do that when we would actually still go out to dinner with our friends, before Annie. But they would all put their credit card in, and then you would pick one out and they'd have to do it... or they used to just do this thing to each other where they'd like, just grab one. Like everyone would put them down and they'd be like... this guy got it.

Justin Draeger: Really?

Megan Coval: It ended up working out, because they would like...

Allie Bidwell: My brother used to do something with his friends where they would all stack their phones in the middle of the table face down, and if anyone grabbed their phone they were paying for dinner.

Justin Draeger: Well, that's kind of... But that's like more of a penalty to keep them engaged in the conversation.

Megan Coval: Yeah.

Justin Draeger: We could do that for NASFAA meetings.

Megan Coval: Yeah.

Justin Draeger: Good idea, Allie.

Allie Bidwell: Oh boy.

Justin Draeger: I'm going to call this The Allie Rule.

Allie Bidwell: I'm about to have, like...a lot of angry co-workers.

Megan Coval: The stakes would be lower.

Justin Draeger: The stakes will be lower, but they'll have to put in for NASFAA's DME fund if they pick up their phone.

Allie Bidwell: Okay. That's fine.

Justin Draeger: Anyway, good for those students. I don't begrudge any of them, for the benefit.

Megan Coval: How many... I didn't read a lot... like, how big that class was.

Justin Draeger: I think there was a couple of hundred. I don't know.

Megan Coval: Okay. I just guess I don't realize how big of a school... it's a pretty small school, I guess.

Justin Draeger: Yeah.

Megan Coval: Relatively.

Justin Draeger: Isn't it also just a men's school?

Megan Coval: Is it?

Allie Bidwell: It is a men's college, and as of the fall of 2018, the total student enrollment was just over 2000.

Justin Draeger: Yeah. So about 400, I thought-

Allie Bidwell: That's like the size of my high school.

Justin Draeger: Well, my high school was like 200. So... my class was 70.

Megan Coval: Really?

Allie Bidwell: And mine was on the small side, for San Diego.

Justin Draeger: Yeah. My kids go to a school with 3000 kids. It's a lot different. Do you guys have Memorial Day plans?

Allie Bidwell: No. This is the first time in a while that we're in town for Memorial Day.

Justin Draeger: I feel like Michael Scott, right now. Now that I know that you and Pascal aren't doing anything.

Megan Coval: Noted.

Justin Draeger: Yeah. Noted.

Allie Bidwell: I told Pascal, I was like, Justin says he's going to take us to the farmers' market at 7.00 a.m..

Megan Coval: Was he on board?

Allie Bidwell: He was like, "Do we...have to?"

Justin Draeger: Yes. For people who don't know, Allie moved like... she's like two miles from... we're like two miles apart, three miles apart.

Allie Bidwell: Yeah.

Justin Draeger: This week is Viva Vienna, by the way.

Allie Bidwell: Oh, right. Yeah. You told me about this.

Justin Draeger: You should check it out.

Megan Coval: I saw an article about Vienna, that it's like the number one... Did you see this?

Allie Bidwell: Vienna's so hot, right now.

Justin Draeger: Vienna is the place to be.

Megan Coval: Something not even just in Virginia, but like, regionally.

Justin Draeger: Vienna?

Allie Bidwell: Let's move the NASFAA office to Vienna.

Megan Coval: I'll find it and send it to you guys.

Justin Draeger: I would love that. Would you move to Vienna?

Megan Coval: I don't think so.

Justin Draeger: Okay.

Allie Bidwell: It's great.

Megan Coval: It seems lovely, and I saw a Dairy Queen, when I was there-

Justin Draeger: They have two.

Megan Coval: ... which, I love Dairy Queen's, but...

Justin Draeger: It anchors both ends of the town.

Allie Bidwell: That's like, great marketing. "Come to Vienna, we have TWO Dairy Queen's."

Megan Coval: This fits well in with my McDonald's commentary.

Justin Draeger: Dairy Queen is the bomb.

Megan Coval: How long is the commute from Vienna?

Allie Bidwell: I take Metro every day, and it's like 40-45 minutes.

Megan Coval: Do you drive to Metro or do you commute?

Allie Bidwell: I live right next to that-

Justin Draeger: Is that door to door, Allie? Or... Metro's 35 minutes if it's on time-

Allie Bidwell: Yeah, it's like door to door.

Justin Draeger: But where I live, if you bicycle in, it's 65 minutes, which we'll do probably later this summer-

Allie Bidwell: Mm-mm...no.

Justin Draeger: ... and then...

Megan Coval: Wait until it's really hot. Let's do mid-July Allie, what do you think?

Justin Draeger: We've got me, you, Erin. Who else can we pick up out there? That's it now I guess, Laura-

Allie Bidwell: Yeah we lost Laura.

Justin Draeger: Yeah, I want people to think about this, maybe who don't live in the district. Literally door to door for me if I take Metro, is one hour. It's 60 minutes. And that to me seem like a short commute, but I back out and add up the number of hours I commute, if I'm taking Metro.

Justin Draeger: Now, this is way off topic. What I'm looking at right now is an electric unicycle. Have you seen these?

Megan Coval: Okay, I was just talking about you the other day with Stephen, about how you used to do the slug line, and we wondered why you had stopped. And I was like, "I feel like Justin is like on a search of always efficiency."

Justin Draeger: Beating the system. Yeah. Beating the system.

Megan Coval: And there's always a new thing, so I was waiting for... Okay.

Justin Draeger: This is it. The electric scooters are undignified. You cannot look like a professional on an electric scooter.

Allie Bidwell: But you can on a unicycle?

Megan Coval: But you can on a unicycle? I think of like a big bear in a circus.

Justin Draeger: It's not a seat, you stand on it.

Megan Coval: Oh god.

Justin Draeger: It's self-balancing like a Segway.

Allie Bidwell: So it's like the hover board that we have?

Justin Draeger: Except way better, because it goes up to 35 miles per hour.

Allie Bidwell: I bet our hover board could go pretty freaking fast.

Justin Draeger: The one in the office?

Allie Bidwell: Yeah.

Justin Draeger: I want you to-

Megan Coval: Try.

Allie Bidwell: Everybody's too scared to use it.

Justin Draeger: I'm going to bring in a speed gun, and then we're going to-

Allie Bidwell: Okay, I'll do it.

Justin Draeger: I want you to rip through the concrete hallways as fast as you can.

Megan Coval: We'll send you from the kitchen to-

Allie Bidwell: Wait, wait, wait. Let's save it for the conference.

Justin Draeger: Okay, all right.

Megan Coval: Oh yeah.

Justin Draeger: But yeah, I've been looking at these electric unicycles trying to get into the office faster, and skip Metro all together.

Megan Coval: That feels not safe.

Justin Draeger: You don't think that's safe?

Megan Coval: No.

Justin Draeger: All right.

Justin Draeger: All right, thanks everybody for joining us. Send us your comments. Remember to subscribe. We did get a lot of votes on the conference-

Allie Bidwell: Mm-hmm. So we will have an update soon on that.

Justin Draeger: We'll have an update soon on that.

Justin Draeger: Otherwise, we'll be back in next week.