NASFAA's "Off the Cuff" Podcast – Episode 375 Transcript

Previewing the 2026 Midterms and What It Could Mean for Student Aid

Melanie Storey:

Hello, hello, hello. Welcome back to another "Off the Cuff", Inside the Beltway Edition. We are here today with Nalia Medina. We are going to talk a little bit about midterm elections today and the importance of the midterm elections broadly, but also how it will potentially impact us in the financial aid community.

So I think most folks, hopefully you're well aware, we are less than a week away from some really important midterm elections. For me, I always am sort of a policy and politic geek, and so I'm always intrigued by how these elections, particularly the midterms, which can always be kind of an interesting approach, how they play out. But I've also been traveling a bunch, Nalia. And so I was at a couple of our regional conferences. I have another one coming up. And so for me, it's really fascinating to see the individual ads in the states.

Sometimes when you live here in DC, you don't get to see as many of the political ads because, well, I don't know, maybe it's because we're kind of jaded, but you don't get as much in the DMV. But being in Iowa and North Dakota, and I've been seeing some of the Texas work, it has been brutal. Bare knuckles politics out there. And also just watching really the amount of spending. I was talking to some members that were in town this week, one was from Texas, and I was like, "Are you tired of all the political ads?" Because you almost see no more commercials for anything other than the political ads. And I saw a stat that they're spending about 11.3 billion, a little over $11.2 billion total on political advertising in these midterms and about just under four billion with a B, billion. That's like Pell Grant funding dollars.

Nalia Medina:

A lot of money.

Melanie Storey:

That's a lot of money, just on the House and Senate races, because of course a lot of the ads are for local or state initiatives and other things, a lot of PAC spending, but 3.9 billion on the House and Senate is significant. And just three races, the big races in Michigan, Ohio, and Texas, are accounting for about a quarter of that. So I'm sure our members in those states are ready for the votes to happen. But so-

Nalia Medina:

I will say about just the money that goes into political advertising, I'm always so amazed at how significant those numbers are.

Melanie Storey:

Yeah. I mean, when we start talking about Pell Grant shortfalls, $11 billion would take us a long way. Of course, that's not how the money works, but yeah, it is not insignificant big spending. But I got to see you in real life yesterday, Nalia, at the office. It was exciting. You were-

Nalia Medina:

Yeah, we crossed paths.

Melanie Storey:

Yeah, it's always nice to see our folks. But yeah, you were here with some of our developing leaders from the DLP program doing Hill visits. How did it go?

Nalia Medina:

Yeah, it was really great. We had five DLPers with us yesterday. We had 10 meetings on the Hill. So it was a really packed day, but we were able to hit folks from Michigan, North Carolina, New Jersey, Oregon, and Kansas. So we had a great day. I will say, I knew it was going to be quiet because I know a lot of folks are back in their districts or in their states with the elections coming up, but I underestimated how quiet it really was. If you've ever been to the Heart Senate building, you know it's open in the middle, and I looked over, I did not see a soul in that building. And some of the lights were off. I was shocked at how quiet it was, but we had really great meetings. It was really productive.

Melanie Storey:

That's great. Yeah. Of course, all the House members are campaigning and a third of the Senate, but it's no secret, when the bosses are out campaigning, the staff are either in district supporting that work or are often taking some time off before they come back, which is going to be soon. As we said, the election is next week, November 3rd, Tuesday. If you haven't already voted, make sure everybody that you do.

Nalia Medina:

Five days away, I think.

Melanie Storey:

I know, just a few. And my people say... I don't predict anymore. I'm not going to do any predictions here because I don't understand the polling anymore. It gives you hope and then you're so thrown later. But what I do really hope for at the end of the day is that we have clean elections. I'm really concerned, there's a lot of chatter about contesting elections, and the House and Senator to return on November 9th. So a little less than a week after the election. And they have a lot to do.

Nalia Medina:

Yes, they do.

Melanie Storey:

Regardless of what the outcome of the election is, there's some really important things happening. But before we get to that, what are you feeling? What do you think we should be expecting with the midterms? What are the things we're watching?

Nalia Medina:

Yeah, I think to your last point, I think that's what's interesting about midterm elections is that the work of Congress doesn't stop, just because folks are campaigning back in their districts or in their states. So as folks know right now, we have what we call a unified government. So the Republican Party in control of both chambers of Congress, the White House as well. And like Melanie has mentioned, all of the House seats up for reelection and one third of Senate seats are also up for election.

I think in terms of what we're expecting to see with this upcoming midterm elections, my focus immediately goes to the committees of jurisdiction that we work with. So the House Ed and Workforce Committee or the Senate Help Committee on the Senate side. On the Senate side, we know that Bill Cassidy is the chair of that committee, but he, a few months ago lost his primary. So we know that there's going to be a new chair or ranking member for the Republican Party depending on the midterm elections in January.

And even on the House side, Tim Wahlberg is the chair of the House Ed and Workforce Committee. But again, depending on the results of the election, that could also switch in terms of the committee leadership on the House side as well. Again, all the House seats up for election, one third of the Senate seats are up. I think the Senate is interesting. To your point earlier, Melanie, I think right now there's about seven Senate seats I think that folks are saying are really the toss-up races. So Alaska, Iowa, Maine, Michigan, New Hampshire, Ohio, and Texas. So I feel like those are really some of the key races that folks are watching right now.

Melanie Storey:

Yeah. And two states that you said you visited with, Kansas and North Carolina have seen a lot of action there. And so I think the pundits would say that they're fairly confident that the House will move to be led by the Democrats. I think they've been saying that for a long time. They have a razor-thin margin. The Republicans have a razor-thin margin now. So I think the general sense is that we'll see a switch in the House. And up until maybe six months ago, there was no sense that there was an option. There was even a possibility that the Senate might also move to a Democratic majority. But again, lots of chatter that states that traditionally would not be in play are in play. But as you said, in the Senate, we're going to see new leadership. I think the leaders of the committees really set the policy agenda.

They determine what they're going to prioritize. We've actually had a lot of really good work with Senator Cassidy and his staff. They have had some strong interest in higher education. We've had good relationships with them. They've advanced some things that are some of our priorities. And so unfortunate, we'll be having to work with new staff on the Republican side. I mean, sometimes the staff don't change, but the leadership is going to change and there's some uncertainty about who might be selected for the leader on the help committee. It sounds like Rand Paul is next in line, but he also has some other very impressive and other committee assignments that he might choose to lean into more.

So yeah, it'll be interesting to see how that... And again, that leadership won't be determined until the new Congress-

Nalia Medina:

In January. Yeah.

Melanie Storey:

... [inaudible 00:08:34] in January, but it is important just in terms of who is in that leadership. And even on the House side, Representative Scott, who has been the lead on the Democratic side, there have been some other members of the House who have suggested they will challenge him for the House and Workforce Committee. So unclear how that will play out too. We tend to talk about it as Republican and Democrats as a monolith, but we're seeing a lot of fracturing even within the parties and some coalitions that are bipartisan that I think are going to be really important to watch. So from our members' perspectives, what do you think financial aid professionals should be thinking about as we lead into the new Congress?

Nalia Medina:

Yeah, I think that's a question that I've been really spending a lot of time thinking about recently. I think to your point, I think regardless of what happens with the midterm elections in terms of who's in power of what chamber, I think that comes with a shift in policy priorities. So right now, like you mentioned, Republicans in control of the house and the Senate, but whenever things shift, that also brings a shift in policy priorities. And I think that's a good reminder for our folks, for aid administrators to engage in the process. I know sometimes when you're not in DC, it can be hard to feel like you can engage in the political process, but I think we all have a voice and we all have something to share. So I always like to remind folks that once these kind of midterm elections wrap up and we have a new Congress, it's a great opportunity to engage with new offices, make sure they know who you are, your institution, the students that you work with. I think it's really just a great opportunity to keep that advocacy going.

And also, I think Congress is going to have to balance all of its priorities in the midst of that. And so I think just, again, getting in front of new offices, engaging, I think that's a really big thing for our folks. And I think the results of the election will have maybe significant impacts to student aid and funding if we want to talk a little bit about that specifically.

Melanie Storey:

Yeah, we'll definitely get to that. But I really want to emphasize that this is a really important opportunity, particularly if you have new members elected, to become a trusted resource and an advocate for our work. Whenever I'm out talking to members or at conferences, I like to say that every day we are advocates for our work and all of our conversations, whether it's with policymakers or people in your community, we really can influence and set the tone for the support of that. But also from the NASFAA perspective, our policy priorities and our pillars and priorities are consistent. They're not partisan and they are important regardless of the parties in power. And so if you have questions about that, in fact, we think have just updated some of our policy documents, we can link to them. And so if you have questions or things or an opportunity to talk to members when they are campaigning, even before the election and certainly afterwards, encouraging you to do that.

But it really is a good time. It is a busy time for you and the policy staff, particularly come January when we have new folks in office, because we need to maintain relationships and build new relationships. Advocacy is a consistent effort. It isn't just when we have a crisis. And so you want to build and maintain those relationships.

Nalia Medina:

We were actually talking about that with the DLPers yesterday when we were on the Hill. And I was saying, when I think about our advocacy, it's sometimes like planting a seed. You might not see a response right away, you might not see a fix right away, but with every conversation that we have, regardless of which office it is, we're just planting a seed to hopefully one day come out with a good outcome. So I think the DLPers yesterday were just also fascinated at how easy really it is to engage in the process. I think if you don't do it all the time, you're not aware of it. But they were like, "We really can just walk into the congressional buildings and just go to our congressperson?" And I said, "Yes, you can. You can call them. You can submit an inquiry form on their website. You can come to DC if you're here and go into their office."

So I think sometimes when you're just not in this environment every single day, it can feel a little overwhelming when you don't know where to start.

Melanie Storey:

Agreed. It can feel intimidating. But what I always like to encourage is you all, our members, our team, are the experts on these issues. Members of Congress and their staff have a huge portfolio of policy issues that they are dealing with. And of course, certain members focus on certain areas that may be of particular interest or passions of theirs. But anytime our members go in to speak about the work they do, they always have so much more depth and are so knowledgeable and are truly experts who can help advance the message. And really appreciative to our members who come and do that. And I think hopefully they find it kind of fun and they get to see the inside of the Senate buildings and the tunnels underneath and learn that many members of the Senate and many members of the House have special treats and gifts that are representative of their states.

Nalia Medina:

Yes, they were so impressed by that yesterday. Yeah.

Melanie Storey:

So you can get Coke products out of Georgia, the Georgia delegation, and you get funny things that make it a little bit more approachable and comfortable too. But you're the constituents and the members really do answer to you. So super appreciative when folks participate either part of the leadership conference or come during advocacy days or of course the DLP program builds that into it too. So super exciting.

So we talked about that it's going to be a busy lame duck session. So regardless of who wins each chamber, it's a lame duck Congress. There are going to be changes. So we'll go from the 119th to the 120th Congress come January, but there are some significant outstanding issues that were left on the table before members went out for campaigning. So tell me a little bit about some of the long list of things that Congress has to deal with?

Nalia Medina:

Yeah, I think the biggest thing that comes to mind for me as it relates to our issues and things that we follow is the approps process. I think as folks might know, the administration did sign into law continuing resolution and that's funding the government until December 11th. So Congress has a few options to wrap up the process for fiscal year '27. They'll either need to pass another continuing resolution, finalize all the approps bills and pass those. So I think that's the big one.

The other thing that I'm really thinking about is the funding shortfall for the Pell Grant program. As folks know, we're part of the Student Aid Alliance. It's a coalition of higher ed organizations, and that's really been our big concern for the last several months and flagging it for Hill offices whenever we can. So we still haven't seen a Senate proposal for fiscal year '27, so keeping an eye out for that.

Will Congress wrap up the approps process right after the midterm elections? Will they manage to do it by the holidays? Will they pass another CR so the new Congress can do it in January? I think that's really, I would say at least just when I think about it, one of the bigger things that's on their agenda to do when they come back for midterm elections.

Melanie Storey:

Yeah, that's a big one. I mean, the Senate really hasn't put out any of their appropriations bills, if I remember correctly. The House has put out some of theirs, and we won't go back over the appropriations process, but you remember the president puts out their budget and the president did put money in his budget around the Pell shortfall, which is great because it is an issue we are tracking and want to be mindful of. We don't want to cut other programs to pay for the shortfall. The good news

is more students are eligible for Pell Grants. That costs money and we've got to figure out how to fill those gaps.

But the appropriations process, you said December 11th, that's after obviously the election, and this was not done by accident before Congress left, but before the new Congress takes place. And so this really becomes part of the political dynamic of which parties will be in charge of each chamber come January. If you were to see a sweep of the Democrats, you'll see a real push from the Republicans to try to get it done before they were to lose the majority.

But of course, the Democrats then have a lot of bargaining power. If the Republicans were to hold both chambers, then we're back talking about some reconciliation and some other possibilities that when you have a unified government. So that's an entirely different dynamic. And then depending on if we have a split chamber, we're going to have to find compromise. So it'll be interesting and there's nothing like a deadline to inspire Congress, but if I remember correctly, it is fairly common for us to see additional CRs after a midterm change in party leadership on one chamber. And it's not uncommon to see a shutdown. And so that's something to watch because we really do see some stalemate between the 119th who have their priorities and the 120th who will come with their [inaudible 00:18:18].

Nalia Medina:

Yeah. And I don't think that they have that many days in session after they come back in the week of November 9th before they're out for the holidays and stuff like that. So I do think they're working in a really tight timeline. And to your point, I think with 120th Congress starting up in January, they might have a different set of priorities and different things on their agenda. So just having to navigate that timing, I'm sure isn't the easiest thing, but definitely something for us to watch out for to see what can they get done in the few weeks before the new Congress comes in.

Melanie Storey:

And I know it's frustrating when we have shutdown issues, when the government shuts down availability of Pell Grant funding and just knowing what the maximum Pell is going to be. And lots of traditional calendar schools start packaging early in '27. So obviously keep your eyes on TN and "Off the Cuff" and Inside the Beltway, and we will keep everyone updated on what's happening on the appropriations front. But that certainly is, I think it's always complicated. Well, the lame duck Congress and the possibility of chambers flipping leadership adds a new and exciting dynamic to that.

But I will say just I don't want our members to get overly concerned, the support for our programs and the Pell Grant in particular remains bipartisan and strong. The fact that the president's budget included shortfall dollars I think is a really great sign. We have other important members and supporters of our programs like Senator Collins of Maine is in a tight election. But generally it's the politics of back and forth and it will get resolved.

Nalia Medina:

Yeah. And I think a lot of folks do care about these programs. We hosted an event on Capitol Hill, I think two weeks ago at this point through the Student Aid Alliance, and we had over 160 congressional staffers and members from the policy community attend that event. So I think to your point, there has been bipartisan support for many years for these programs, and that's our job to continue advocating for the programs to be protected.

Melanie Storey:

Yep. Well, and that speaks a little bit about... Just let's talk a little bit about NASFAA's advocacy, and I alluded to it a little bit. We just, I think, revised, or just I'll say reviewed, our Higher Education Act reauthorization priorities. Now, there's not a reauthorization anywhere on the horizon. I have a love for that, but I also would like some stability so we can [inaudible 00:21:01] a little bit. But what that really does speak to is, again, NASFAA having clear policy direction, clear guardrails in terms of when new things come up in Congress that we understand and that we are clear where our members and where we are to support.

But one thing we haven't really talked about, and we haven't said it directly, but NASFAA works both sides of the aisle. We are nonpartisan. We work with all members of Congress who have an interest to advance legislation in support of our members. And it's an important part and it's actually a requirement of our nonprofit status, but also speaks to the really bipartisan nature of the programs and support. Even in a time that feels very challenging for higher education, I think it's important that we recognize that we have support across the aisle.

Nalia Medina:

Yeah. When I think about our advocacy, I think about a few different things. The first one to your point is how we're nonpartisan. I think that is one of my favorite parts about our advocacy because we are always open to working with folks across the aisle, Republicans and Democrats. Whether they're working on a piece of legislation or they need feedback on a specific issue, I want folks to know that they can reach out to NASFAA regardless of where they sit on the political aisle and that we are going to provide them expertise, support, knowledge in their work. So I think that's one of the best parts I think about our approach is that a lot of folks are reaching out to us regardless of where they're at on the political aisle.

Melanie Storey:

Yeah, agreed. Back to this idea that we are a trusted resource and voice for what have become some very complex implementations of programs that see a lot of support across the aisle. But as we learned over the last year, ideas are one thing, but implementation and the details are another. And so even we get lots of inquiries from members of Congress to help them understand the nuances and the details of where students and families may be confused or running into issues based on bills already passed or bills being considered. And so the fact that our advocacy is really member driven and really is around the details of effective implementation and supporting all students and their desire to access higher education is important. And I think it's just an important position for NASFAA to be in and to remind the members that there is a lot of support and we'll work with everyone who wants to advance that work.

Nalia Medina:

Yeah. I think that's one of my biggest goals whenever we're on the Hill and in whatever capacity, whether it's just us, our team or we're bringing members, I really want folks on the Hill to think of us whenever they're considering an issue, they have a question. I want them to think, "You know what? We met with that NASFAA group a few weeks ago," or a few months ago. "I think they're the right person to help us with this issue." I want us to be that resource for them. And again, I think the other part of that is to your point, I think all of our advocacy really relies on our members. We can go to the Hill, we can give them reports and stats and data and all of this stuff, but when our members are able to engage, when we're able to share their experiences, the students that they work with, that's really oftentimes what congressional staff and members really take away. It's those personal experiences from our members.

So that's another part that I love about our advocacy is that we're able to inform it by the experiences of our members.

Melanie Storey:

Yeah, I agree. And that folks do come to DC to do visits with us because we do provide all of the big picture, the data, all that, and that's important. But storytelling is what moves the needle. What is that personalized experience, how individual students from a district or state have benefited, how it builds the workforce, how they have navigated themselves from incarceration through post-secondary education into the workforce. Those are really powerful examples of the strength of these programs. And so bringing a real face to the data, I think is such an important partnership of our advocacy.

And so continue to invite members to join us at the leadership conference. We do a big push in Hill visits then. I know it's a huge effort for your team, but there's lots of great opportunity and no reason to be intimidated by it.

Nalia Medina:

We're there to support however we can.

Melanie Storey:

Yeah. You're never thrown in alone. We don't throw you to the wolfs or nothing like that.

Nalia Medina:

Nope.

Melanie Storey:

Always someone there. And like I said, sometimes you get to pick up little treats. Great. So Nalia, are there some other sort of lame duck agenda issues that maybe members might be interested in or maybe take a look at in preparation for a new Congress? One thing that I know I was just kind of reading a little bit about, and maybe you can explain a little bit to us about rescissions and how that relationship between Congress and the administration sometimes isn't seamless.

Nalia Medina:

Yeah, that's a great question. And I think to our earlier point, I think Congress still needs to consider a few different things on their agenda separate from the midterm elections. We talked about appropriations briefly. I think the other one here is rescissions. So that's kind of at a high level, won't go too into the weeds there, when federal funding is appropriated, but Congress does not actually send out those funds. And so that money then will no longer be available for that agency or that activity or program. So there's been some chatter that some folks on the Hill might consider some further action there as it relates to rescissions and the efforts to rescind previously appropriated funds. Not sure, Melanie, if you want to add anything else there.

Melanie Storey:

I mean, I just want to be clear, folks hear about rescissions. There are none of the Title IV programs that are in the mix on rescissions. That's not how that works. But you may hear there's some grant programs and some other education related programs that have been part of the rescission conversation. So some of our members may be hearing something about that and want to make sure that they understand

right now. We have no expectation that it'll have any impact on our core programs, but it does sometimes affect other education related grant programs, and so it might be of interest to folks.

So yeah, just that. And then we at NASFAA have also been looking forward a little bit. I don't know if you want to talk a little bit about some of the HEA, the Higher Education Act work that [inaudible 00:27:54].

Nalia Medina:

Yeah, I'm so glad we were able to put that into... It was this morning actually. A few weeks process, our team, we updated all of our Higher Education Act recommendations to reflect the recent changes from the One Big Beautiful Bill Act. So we will include links. It's a great resource. We have a compiled version that has all of our recommendations. We have a more condensed version, and these are great resources that we share with folks on Capitol Hill. These are really our key policy priorities and I guess the issues that we frame our advocacy around whenever we are on Capitol Hill. So that went out this morning, a great resource. Would really encourage folks to look through that to see where our policy priorities are right now, and we'll be sure to include links to that.

Melanie Storey:

Yeah, those are great because they're pretty short and succinct. And so sometimes you do meet on the campaign trail, various members and you're like, "What am I going to say?" We can always say support the programs financially. Appropriations is always an easy message, but this also gives you a couple of ideas of other important things that might benefit your students and provide additional access to higher education. So just sometimes good to have that in your back pocket if the opportunity might arise for you to interact with a member.

Nalia Medina:

Perfect.

Melanie Storey:

So let's see. It sounds like we've got a little bit of a sprint coming, Nalia, as you mentioned, just a few session days between when Congress comes back on November 9th, before they leave for their Thanksgiving break, before they have to resolve a December 11th CR deadline. Then they of course will have their holiday break and then we'll be seating a new Congress in the first days of January. So not a lot of days to do a fair amount of work, not just in our world, but in all of the appropriations and some of the other priorities that they have been working on. It's going to be fast moving. We'll try to keep everybody updated as things are happening in higher education. But we'll just say thanks to everyone for joining us. There will be much more post-election coverage, I am sure, after next week.

But until then, make sure you go out and vote. Thanks for joining us on "Off the Cuff".