

AMERICAN COUNCIL ON EDUCATION



OFFICE OF THE PRESIDENT

February 11, 2009

Dear Conferee:

I write on behalf of the higher education associations listed below concerning the final version of the American Recovery and Reinvestment Act of 2009. Together, our associations represent the 4,300 two- and four-year, degree-granting public and private colleges and universities that educate the nation's 17 million students.

We want to thank both the House and Senate for their respective versions of the legislation in the face of such challenging circumstances. We believe that the final version of the legislation will make an enormous difference in the lives of Americans who are struggling to confront daunting economic hardships. We can assure you that the provisions directed at student aid and higher education infrastructure projects will not only have direct near-term stimulative effects, they will have the added consequence of sowing the seeds of future economic productivity.

As you work to resolve the differences in the two versions of H.R. 1, we urge you to consider the following recommendations:

Student Aid

Raising the Pell Grant maximum award to the levels specified in the House bill, especially in combination with additional Federal Work Study funds and Perkins Loan funds, will help stem the rise in unemployment by providing higher education as a real alternative to attempting to find work in a shrinking job market. It will also help meet the increased need for student aid that arises during a recession as families are forced to make extremely difficult choices between paying their mortgages or mortgaging their children's futures. Increased financial aid is also needed to accommodate retraining for individuals who have lost jobs, enabling them to prepare for the jobs of the future.

- We strongly urge the Senate to recede to the House on the \$500 increase in the Pell Grant maximum award.
- We urge the Senate to recede to the House on the \$490 million in funding for Federal Work Study.
- We urge the House to recede to the Senate on providing \$61 million in Federal Capital Contributions for the Perkins Loan Program.
- We urge the Senate to recede to the House on the \$50 million for Student Loan Administration, which is a vital ingredient in enabling the Department of Education to execute its role in ensuring the continued availability of federal student loan funds.

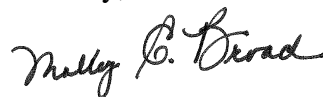
Higher Education Facilities

Funding for higher education “shovel-ready” infrastructure projects, like other construction and infrastructure initiatives in the bill, will both create and maintain jobs. In addition to creating thousands of jobs in the construction and building trades, these funds will generate spending on goods and services in local communities where colleges and universities are often the largest employer in the region and the foundation of the local economy.

- We strongly urge the Senate to recede to the House on the inclusion of \$6 billion for higher education facilities.
- We urge conferees to require governors to allocate funds between public and private, non-profit institutions of higher education based on full-time equivalent enrollment in the state, and within the public sector, to equitably distribute funds among community colleges, state colleges and public research universities.

We appreciate the hard work that has gone into the development of this legislation and the earnest desire of everyone involved to respond to the economic crisis the country faces. We wish to assure you that the nation’s colleges and universities stand ready to do all that they can to assist in the efforts to confront the current economic challenges and to pave the way for future economic progress. Thank you for considering our recommendations

Sincerely,



Molly Corbett Broad
President

MCB/ksm

On behalf of:

American Association of Community Colleges

American Association of State Colleges and Universities

Association of American Universities

American Council on Education

National Association of Independent Colleges and Universities

National Association of State Universities and Land-Grant Colleges