



★ FROM THE OFFICE OF THE PRESIDENT ★

May 23, 2011

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington D.C., 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington D.C., 20510

Dear Majority Leader Reid and Minority Leader McConnell:

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I write to express opposition to the FY 2012 budget resolution, H. Con. Res. 34, which was passed by the House of Representatives on April 15. NASFAA represents more than 18,000 financial aid professionals who serve 16 million students each year at 2,800 colleges and universities throughout the country. The resolution would impose severe cuts to the Pell Grant program and would have a detrimental impact on the nation's low-income students.

The budget resolution calls for Pell funding to be reduced to pre-stimulus levels. The Congressional Budget Office has estimated that reducing Pell to those levels could potentially yield a maximum Pell Grant of only \$3,040 for the 2012-13 academic year. This would represent a devastating 45 percent cut from the 2011-12 maximum grant of \$5,550.

Additionally, it is troublesome that the budget resolution calls for the repealing and defunding of the Healthcare and Education Reconciliation Act (HCERA), which provides mandatory funding for the Pell Grant program. If HCERA is repealed, it would further lower the maximum grant by \$690, and would also impact other key student aid provisions, such as the strengthening of the Income-Based Repayment (IBR) program.

The Pell Grant program is the cornerstone of the federal student aid programs and millions of the most financially disadvantaged students rely on these funds to prepare themselves for the 21st century jobs that will fuel the future U.S. economy. We urge you to vote against this resolution because it would threaten the nation's ability to compete in the future economy by impeding, or denying altogether, the aspirations of low-income students to higher education.

Thank you for all that you do for the postsecondary students of this country.

Sincerely,

Justin Draeger
President and CEO

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