

Raising tuition could cut federal student aid

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WASHINGTON, D.C. — Joy Thompson will earn \$3,000 this year answering phones and doing paperwork as an assistant for a math enrichment program at the University of Minnesota.

Yet the money that she and thousands of other American college students earn under the federal work study program is under attack in Congress.

In an attempt to hold the line on rising tuition costs, legislators are considering a bill that would take away work study, loan and grant money at universities that raise tuition too sharply.

Too sharply is defined as more than twice the rate of inflation over a three-year period.

The University of Minnesota, and nearly all other four-year schools in the state, could take a financial hit if the bill passes. About half of the university's students get some kind of federal or state aid based on need.

"We cannot allow the continued explosion of college costs to go unchecked," said Rep. Howard (Buck) McKeon, R-Calif., who authored the bill.

Many Democrats don't like the idea. "It penalizes colleges and students for what, in the majority of cases, is not their problem," said Rep. Betty McCollum, D-Minn., a member of the Education and Workforce Committee.

McCollum has co-sponsored a separate bill aimed at curbing large tuition hikes. It would provide financial incentives to schools that keep costs down, but would take away some administrative funds from states that cut too deeply into aid for higher education.

To avoid penalties, state aid could not fall below the average amount spent over the last five years.

States aren't excited about the idea of having Congress regulate their finances.

"It's always problematic when the federal government tries to micromanage states' funding decisions," said state Rep. Doug Stang, R-Cold Spring, assistant majority leader in the Minnesota House.

Both bills still have to withstand the scrutiny of the House Education Committee. Rather than standing or falling separately, it's more likely that the ideas within the bills will be a part of a larger debate on the

Minnesota college tuition increases

College	Tuition/fees 2003-04	% Increase from 2001-02
Augsburg College	\$19,398	11.2%
Benedict State University	\$5,049	21.3
Carterton College	\$28,527	14.7
College of St. Benedict/St. John's University	\$20,685	12.9
Concordia University-St. Paul	\$18,624	54.7
Gustavus Adolphus College	\$21,460	11.5
Hamline University	\$20,803	21.5
Hennepin Technical College	\$3,074	22.4
Macealester College	\$25,088	11.0
Metropolitan State University	\$3,852	23.9
Minneapolis College of Art & Design	\$22,930	11.4
Minneapolis Community and Technical College	\$3,466	25.5
Minnesota State University-Mankato	\$4,506	24.5
Minnesota State University-Moorhead	\$4,260	25.9
Southwest Minnesota State University	\$4,615	24.2
St. Cloud State University	\$4,578	28.6
St. Olaf College	\$23,650	11.1
University of Minnesota-Crookston	\$6,780	20.3
University of Minnesota-Duluth	\$7,381	29.4
University of Minnesota-Morris	\$8,096	29.6
University of Minnesota-Twin Cities	\$7,344	32.7
University of St. Thomas	\$19,343	11.9
Winona State University	\$5,704	54.0

Note: Under the formula in the bill sponsored by Rep. Buck McKeon of California, the inflation rate from July 2001 to July 2003 was 3.6 percent.
Source: Minnesota Higher Education Services Office

sties because of state cuts in funding, according to Chris Simmons, an assistant director at the American Council on Education.

The group hasn't endorsed McCollum's bill, but it does oppose McKeon's legislation.

"It's a regulatory wrath of new requirements," Simmons said. Under McKeon's bill, schools would have to meet a cost management plan if they raise tuition too much. McKeon has said that the requirements will empower students and parents to make informed decisions about college costs.

But many, including U.S. Rep. John Kline, R-Minn., are concerned that McKeon's bill controls the price of college.

"We need to be careful that we don't do something too draconian, like putting on price controls that turn out to be a side effect that are worse than the disease," said Kline, also a member of the Education and Workforce Committee.

Kline said he has reservations about both bills and hasn't decided to support one or the other. One thing he likes about McKeon's bill is that it holds schools accountable and gives them time to adjust. Sanctions wouldn't go into effect until 2011, but schools' tuition rates would be monitored starting in 2005.

John Engelen, the University of Minnesota's chief government affairs officer, said states are giving public universities few choices.

"It's not easy to raise tuition," he said. "It's not something we like to do, and it's not something we do without exploring other extreme measures first."

This year, the Legislature cut the university's funding by \$185 million over two years. Engelen said the McKeon bill wouldn't recognize states' role

OPPOSING VIEWS "We cannot allow the continued explosion of college costs to go unchecked."

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Higher Education Reauthorization Act.

McKeon and McCollum say the issue will be a priority in 2004.

"It's clear that Congress wants to do something about the rising costs of tuition," said Jamie Merisotis, president of the Institute for Higher Education Policy.

Thompson hopes she and other students don't lose work chance of me being in school without financial aid," said Thompson, 24, of Minneapolis, a music education major.

'Regulatory wrath'

The biggest tuition hikes have occurred at public univer-

in the budget process.

Two student groups in Minnesota have split on the McKeon bill. The Minnesota State College Student Association, which represents 46 public community and technical colleges in Minnesota, recently voted to support it.

"We need some help as students and we need someone to step in," said Missi McLaren, president of the student association.

The Minnesota Student Association at the University of Minnesota-Twin Cities voted not to support it. The vote was narrow, however, and many members said they saw the merits of McKeon's approach to holding colleges accountable.

Dan Nelson, a member of the association, said taking away financial aid from schools is one of the only ways Congress can regulate higher education. "That's not free money; there should be strings attached," he said.

Simmons said that while McKeon wants to improve access to higher education, "his proposal hurts the poorest students who we want to give more access to."

In the end, Congress will have to decide whether it should try to influence a decision that traditionally has been left to states and institutions of higher education.

"I don't think the federal government is ultimately in the best position to try to influence price," said Merisotis, of the Institute of Higher Education Policy.

McLaren said states and colleges are both responsible for rising costs of tuition and hopes Congress can help.

"We're glad that they're at least taking a look at it," she said.

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