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Bills seek solutions to higher ed's cost

Democrats, including Minnesota Rep. Betty McCollum, recently introduced an alternative to a Republican proposal.

By Molly Moker
mmoker@mnradio.com

Both Democrats and Republicans think they have the solution to rising tuition and are battling it out with two bills in the U.S. House.

CAPPING COSTS

On Nov. 18, Democrats in the U.S. House proposed a bill that would make

Two bills in Congress aim to control higher education's rising cost.

states that cut higher education spending ineligible for federal higher education funding.

Republican plan: Cut federal student aid to colleges that raise tuition by twice the rate of inflation for three years in a row.

The bill — **Democratic plan:** Make states that cut higher education spending ineligible for federal higher education dollars.

sponsored by U.S. Rep. Betty McCollum, D-Minn.

McCollum and Rep. John Tierney, D-Mass., introduced the bill to oppose a Republican measure by Rep. Howard McKeon,

Officials shun Republican version of bill

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R-Calif., that would cut federal student aid programs to colleges that raise their tuition by twice the rate of inflation for three consecutive years.

The University has increased undergraduate tuition by 13

percent each of the past three years, while the Twin Cities price index rose 2.5 percent during that time.

Under the Republican bill — the College Affordability in Higher Education Act of 2003 — colleges that do this would have to explain their actions to the U.S. Department

of Education and show how they plan to slow tuition increases.

If a college fails to comply after two years, the Education Department would put it on "affordability alert status," and could cut some federal financial aid programs if they fail to comply again. Because many Democrats said

this plan would punish students and not colleges, they countered with the College Affordability and Accountability Act.

Although the Democrats' bill has not been officially introduced, and both plans are preliminary, these acts are meant to get the ball rolling for discussion of the Higher Education Act, said John Engelen, University director of federal relations.

The act is a massive higher education bill that includes financial aid, student loan and Pell Grant issues. The bill, which is reauthorized every five years, is due to be reauthorized next year, and Engelen predicted Congress will renew it this spring.

The acts will probably not be passed before they are added to the Higher Education Act, he said.

University Vice Provost for Undergraduate Education Craig Swan said the Republican plan is "terrible." "Ironic forms of price control are coming from the Republican parties," Swan said. "They are traditionally the party of business."

Swan said it is too early to know if or how either plan would affect the University, but he said the campus would notice a change if they pass.

"Something could actually happen here that could hamstring colleges and harm students," Swan said.

But because the Democratic plan is based on incentives rather than punishment, it is meeting less University opposition.

"The Democrats want to increase financial aid to colleges as an incentive to get states to hold the line in tuition," Engelen said. However, states that reduce

higher education funding could lose federal money for their education-related administrative costs under the plan.

Also, students in colleges whose tuition increases do not outpace inflation would qualify for Pell Plus Grants that would award them \$600 or more each.

Republicans criticized the bill, arguing colleges should keep their tuition low without rewards.

But Engelen said he and other University officials worry about the Republican plan.

"The University has concerns about the McKeon bill," Engelen said. "(University) President (Bob) Bruminks ... wrote a letter to McKeon stating the concerns that the University has with his bill."

In the letter — signed by presidents from all Big Ten schools — the presidents said they fear the bill will harm low-income and minority students, and they also said universities might be penalized for cost increases they cannot control.

But McKeon said that because the federal government provides 70 percent of all financial aid, Congress needs accountability.

"We will support those institutions that are trying to make college less expensive ... (and) we must seize this opportunity and ask colleges to do their part in increasing access to higher education," McKeon said.

Overall, Engelen said, Congress should not determine tuition costs.

"They think it's easy for the University to raise tuition, but it's not," Engelen said. "Our view is that parents, students, regents and state legislators should be the ones to discuss the cost of attending the University."