Can Anyone Here Play This Game?

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Today’s Lineup

- Last Season’s Highlights
- The New Season is Coming
- The Batting Order of Issues
- The World Series of Weird (AKA: The Election)
Recapping Last Season

- Bipartisan Budget Act of 2015
  - Allowed government to stay open past December 2015
    - Provided $80 billion in extra spending over two years – split between domestic and defense programs
      - Provided relief from Sequestration spending reductions
    - Delayed debt ceiling enforcement until March 2017
    - Passed with Democrat votes
    - Cost Speaker Boehner his job
Consolidated Appropriations Act, 2016

- Funds Federal Programs Through September 30, 2016
- Set FY 2016 Spending Levels:
  - Maximum Pell Grant = $5,815 for 2017-18 (up from $5,775)
  - SEOG = $733.1 million (no change)
  - FWS = $989.7 million (no change)
  - TRIO = $900 million (up 7%)
  - GEAR UP = $322.7 million (up 7%)
Department of Education At the Bat

- Prior Prior Year
  - No offsetting cuts
- REPAYE Loan Repayment Plan
  - No offsetting cuts
- Defense Against Repayment
  - Negotiated Rulemaking ends without consensus
  - Alyssa Dobson at the table
- Secretary John King, Jr.
  - Approved by U.S. Senate on March 14th
Appropriations

- Off to a Rocky Start
  - Budget Resolution delayed
  - Freedom Caucus objects in House
  - Democrats won’t support
  - House-Senate agreement unlikely
- Continuing Resolution is Probable
  - Government shut down threat possible
- Action Likely to Be Put Off Until After The Election
What’s On Deck?

- Limited Congressional Action
  - Presidential campaign always dampens appetite for legislating
  - Every Student Succeeds Act (ESSA) completed
  - Congressional approval rating is 13%

- Shortened Calendar
  - Summer recess begins July 15
    - Earlier party conventions
    - Summer Olympics
  - Lame Duck session could be productive time
It’s Still Spring Training for Reauthorization

“We are attempting to see what we can get done in the timeframe we have in a bipartisan manner.”

Senior Education Committee Staff

- Mini/Micro Reauthorization Possible
  - Small bills addressing limited issues
    - Regulatory relief?
    - Enhanced loan counseling?
    - Making Prior-Prior Year permanent?
    - FASFA simplification?
      - Removing drug-related questions (Sen. Casey)
“In the Red” Act

- Introduced by 30 Senate Democrats (including Sen. Casey)
- Allow Refinancing for Eligible Direct, FFEL, & Private Loans to Current Direct Loan Interest Rates
- Index Pell Grant Maximum to Inflation
  - $1,300 increase by 2026-27
- Reduce the Cost of First Two Years of College
  - Federal & State funding required
  - Community colleges must adopt evidence-based reforms and practices
Competing for the Starting Lineup

• Issues that Deserve Attention
  • FAFSA simplification
    • How many questions?
    • What is the tolerance for error?
    • What will be the cost?
  • Prior-Prior nuances
    • Does it need tweaking?
    • Coordination with Pell award schedule?
• Pell Grants
  • Summer Pell
  • Incentives for completion
    • President proposes $300 annual bonus for recipients taking 15 credits per semester
    • Advance funding to synch with PPY?
150% rule
- Issues with borrowers who go back for more schooling
- Should exceptions be authorized?

Repayment simplification
- Fewer repayment plans
  - One IDR option
  - What is standard plan?
- For everyone, or just for new borrowers?

Multi-year tax download for IDR
- Too many borrowers confused by need for annual recertification of IDR
- Borrower could authorize IRS to send tax data to servicers for 5(?) years
Further Down the Issues Lineup

- Perkins
  - Extend beyond 2017?
  - Grandfather more students?
  - Relief from new packaging rules?
- SEOG
  - Can it be saved?
  - Doesn’t fit one-loan, one-grant, one-work mantra
- Loan interest rates
  - Do they need to be revisited?
  - Variable, fixed, or variable fixed?
  - What will rates be like when reauthorization is considered?
- Loan Refinancing
  - Does it really help?
  - What loans would be eligible and which borrowers?
Remainder of the Issues Order

- Gainful Employment
  - Here to stay
  - How to limit administrative burden?

- Public Service Loan Forgiveness (PSLF)
  - Keep the program?
  - Modify eligible employers or forgiveness amounts?
  - President proposes to cap PSLF forgiveness

- Taxable nature of loan forgiveness
  - Most forgiveness is taxable

- FAFSA school masking
  - Order of school selection by FAFSA filers will be hidden
  - Unintended consequences for state grant agencies
WE JUST VOTED for DONALD TRUMP.

HILLARY CLINTON.
Will The Primary Season Go Into Extra Innings?

- Can Anything Derail the Inevitable?
- Not So Super Tuesday is Coming, April 26
  - Pennsylvania, Maryland, Connecticut, Delaware, Rhode Island
- It’s All About the Delegates
  - 67% of Republican delegates & 59% of Democrat delegates selected by April 5
    - Magic numbers:
      - D: 2,386 out of 4,765
      - R: 1,237 out of 2,472
  - California and New Jersey vote on June 7
Will There Be a Call to the Bullpen?

- What is an Open Convention?
  - No candidate has a majority of pledged delegates
  - No majority on first ballot
  - Delegates can be released for subsequent ballots
  - Convention voting continues until a candidate receives a majority
- Backroom deals, cigar-filled rooms, party bosses?
  - Populist revolt?
  - Acceptance of outcome?
Free Agent Status

• Percent of Unbound Republican Delegates Depends on State Party Rules
  • 5% unbound for first ballot (mostly “super delegates”)
    • 168 Republican super delegates (714 D)
  • 57% unbound for second ballot
  • 81% unbound for third ballot
Open Convention Hall of Fame

• Some History:
  • Ted Kennedy tried to change convention rules to release all delegates before the first ballot in 1980
  • Gerald Ford did not have a majority going into the 1976 convention, but defeated Ronald Reagan on the first ballot
  • Last winner of a multi-ballot convention to win Presidency was FDR in 1932
  • In 1924, Democrats cast 103 ballots to nominate John W. Davis
  • In 1912, Woodrow Wilson lost the first ballot, but won on the 46th ballot
Moving on to the “Minor Leagues”

- Senate is Up for Grabs
  - Democrats must gain at least 4 seats (and the Presidency)
  - Republicans vulnerable: NH, WI, FL, AZ, IL, OH, PA
  - Democrats vulnerable: CO, NV

- Pennsylvania Polls
  - Sen. Pat Toomey (R) over Joe Sestak (D): +5 (43–38)
  - Sen. Pat Toomey (R) over Katie McGinty (D): +13 (47–34)
  - Sen. Pat Toomey (R) over John Fetterman (D): +18 (49–31)

- Changes in House of Representatives Limited Due to Gerrymandered (Homogenized) Districts
  - Democrats could pick up a dozen seats
Bottom of the Ninth...

- Short-term Outlook for Higher Education is Stable, in General
  - Last minute ED actions could still be coming
  - Lame duck session could be active
- PASFAA’s GRC Continues to Advocate
  - Priority issues need to be identified
  - PA Congressional delegation and education committees need to hear your message
- Buckle Up for a Continued Wild Political Season
  - It ain’t over ‘til its over!
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