House Requests List of ROTC, Recruitment Excluders

By a vote of 336 to 92, the House of Representatives reaffirmed on May 25 its position that colleges and universities should welcome ROTC programs and military recruiters on their campuses.

The vote came on an amendment offered by Rep. Cliff Stearns (R-Fla.) to legislation authorizing Department of Defense programs. The amendment restates support for the “Solomon Amendment,” which denies certain federal funding to institutions that do not permit ROTC or military recruitment activities on campus.

The Solomon Amendment has been challenged in court by a group of law schools, and the Supreme Court will hear that case in the term beginning in October 2005.

The new twist in the debate is the language of the amendment requiring the Department of Defense to give Congress a list of institutions that are denying access to military recruiters and ROTC programs.

The Senate has not yet considered its version of the Department of Defense authorization bill. (For related articles, see WIR, 3/8/05 and 12/7/04.)

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529 Savings Plans: A Permanent Tax Benefit?

Senators Chuck Grassley (R-Iowa) and Max Baucus (D-Mont.) have introduced the College 529 Invest Act of 2005, which would make permanent the tax-free treatment of qualified withdrawals from Section 529 college savings plans. If legislation is not passed, existing tax benefits will expire on January 1, 2011. A companion bill, H.R. 2386, has already been introduced in the House by Representatives Melissa Hart (R-Pa.) and Earl Pomeroy (D-N.D.).

Grassley, Baucus, and cosponsoring Senator Ron Wyden (D-Ore.) attended a press conference May 24 to announce the introduction of their bill. Representatives from the College Savings Foundation and TIAA-CREF were in attendance, along with many from the Association of State Treasurers. Nationwide, there are over 7 million savings accounts containing a total of $65 billion.

Grassley, chairman of the Senate Finance Committee, said, “We have come together to celebrate, but also to advance the ball on college savings plans.” He called it a true investment in the future.

Baucus, ranking member of the Finance Committee, agreed that “there should not be financial impediments for anyone in America who wants to go to college.” Wyden noted that there was an education gap as well as an income gap in the U.S. He said extending the benefits of 529 savings plans is the way to close that gap.

A reporter asked, why not address the rising cost of higher education instead of extending a tax benefit? Grassley emphasized that educational institutions are privately run and the federal government has no business setting tuition rates. Promoting education is the best social program the government can approve.

The bill will likely be attached to another piece of tax legislation, since the provision is one of several tax provisions slated to terminate in 2011.

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Senate, House Ed Committees Hold Work Force Hearings

Senator Mike Enzi (R-Wyo.), chairman of the Senate Committee on Health, Education, Labor and Pensions, seems determined to mark up a Higher Education Act (HEA) reauthorization bill this summer. Enzi convened higher education and corporate leaders at a round table on May 19, aimed at “Working Together to Strengthen America’s Workforce.” Participants included Patricia McGuire, president of Trinity University in Washington, D.C.

Enzi said there is a need for 7 million workers in the U.S., with many jobs requiring training or retraining. He said this shortage requires greater collaboration and cooperation between institutions of higher education and corporations, especially given the level of technical change and global competition the U.S. is facing. Ranking Minority Member Edward Kennedy (D-Mass.) added that education had been the answer to past economic and scientific challenges, and should be today.

Several participants stressed the need for partnerships between colleges and businesses. While educating students to meet specific business needs was emphasized, they agreed that graduates must be able to think critically, communicate in both speech and writing, and work in teams.

Pat McGuire described how Trinity College worked with the D.C. Board of Trade and the Washington Hospital Center to develop curricula to train local workers. Some students may take longer to earn their degrees, McGuire said, but all can obtain an education. She also put in a plug for the year-round Pell Grant.

Enzi held another work force-related hearing on May 26, “The 21st Century Workplace: Preparing for Tomorrow’s Employment Trends Today.” Testimony focused on changes in demographics, the workplace, and the economy. Although they differed in their assessment of the impact of these forces, the witnesses were generally optimistic about employment. They agreed that greater flexibility and adaptability were needed for the U.S. to remain competitive in the global market.

Jared Bernstein of the Economic Policy Institute said that there was no significant shortage of job skills. The cost of higher education should be paid for, but American students will pay this back over time with increased wages. Scholarships should be provided to low-income students who study science, math, engineering, or technology, he added.


Other topics included the importance of and challenges to engineering, the “pipeline leakage” of women and under-represented minority students, and the need for academic support and more exciting “hands-on” learning at the undergraduate level.

Higher ed received attention from an unexpected quarter on May 26, when Rep. Tom Davis (R-Va.), chairman of the House Government Reform Committee, held a hearing on federal student loans. The committee called witnesses from several colleges to offer their evaluations of the Federal Family Educational Loan Program (FFELP) and the Federal Direct Loan Program (FDLP). Davis expressed his bias for the efficiency of private enterprise, but acknowledged that even local or federal government sources can provide competition that improves privately provided services.

Theresa Shaw, chief operating officer at the Department of Education’s Office of Federal Student Aid (OFSA), noted the department’s removal from the Government Accountability Office’s “high risk” list in January. The department’s inspector general, John Higgins, Jr., described the joint fraud unit formed by his office and the OFSA to reduce fraud in the student financial aid programs. The current focus is on falsification of FAFSAs, identity theft, and fraud and abuse at schools (74 percent at proprietary institutions).

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