

DEPARTMENT OF EDUCATION**Reauthorization of the Higher Education Act****AGENCY:** Department of Education.**ACTION:** Notice of regional meetings and request for comment to obtain public involvement in the development of policies relating to the reauthorization of the Higher Education Act.**SUMMARY:** The Secretary will convene six public meetings to obtain public comment for use in developing proposals for the reauthorization of the Higher Education Act. In addition, the Secretary invites written comments, suggestions, or ideas regarding reauthorization proposals.**DATES:** Comments must be received by the Department on or before January 31, 1997. Comments may also be submitted at regional meetings to be held on December 6–17, 1996. (See dates, time and location of regional meetings under the "Supplementary Information" section of this notice.)**ADDRESSES:** All comments concerning the reauthorization of the Higher Education Act should be addressed to Adam Ochlis, 600 Independence Avenue, S.W., ROB–3, Room 4050, Washington, DC 20202 or to the following internet address that has been created specifically for reauthorization: reauth_1ed.gov**FOR FURTHER INFORMATION CONTACT:**

Persons wishing to obtain additional information regarding the regional meetings should call Sandra Wood or Tia Cosey at (202) 205–2987. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: Student financial aid programs and other programs authorized under the Higher Education Act (HEA) have dramatically increased access to higher education for a broad range of students. As the Department of Education begins to consider proposals to reauthorize the HEA, it looks to build upon its accomplishments in providing access to students and increasing educational opportunity.

In recent years, the Department has worked hard to help students pay for postsecondary education. The amount of Federal student aid available increased by \$10 billion between 1993 and 1995. With the enactment of the fiscal year 1997 appropriations bill, aid available to students will increase to a

record total of \$36 billion for an estimated 7.7 million students. In particular, the Pell Grant maximum award will increase from \$2,300 in 1993 to \$2,700 in 1997, and the amount appropriated for the College Work-Study program will increase 35 percent, to \$830 million, from 1996 to 1997. The Department has also worked to expand access and encourage first-generation, low-income, college students to attend and complete college. In fiscal year 1997, the Federal TRIO programs will be funded at \$500 million, an increase of \$37 million. These programs will serve approximately 685,000 at-risk students by providing outreach and support services, as well as information about postsecondary education opportunities.

The Administration has also proposed the Hope Scholarship tax credit, a \$10,000 tax deduction for education and training expenses, and the ability to withdraw from Individual Retirement Accounts to help pay for postsecondary education. These initiatives would promote access and savings for postsecondary education for eligible individuals. In addition, the Presidential Honors Scholarship proposal would encourage academic excellence by providing a \$1,000 scholarship to every high school student graduating in the top five percent of his or her class. And the Administration's national service initiative, AmeriCorps, continues to provide scholarships and loan forgiveness to students in return for community service.

In addition, the Student Loan Reform Act in 1993 has revolutionized the federal student loan system by reducing costs for borrowers and creating the Direct Loan program, a simpler, more automated and accountable system. The Direct Loan program offers borrowers a choice of repayment options, including income-contingent repayment, that makes it easier for borrowers to manage their student loan debt. Even students who have not borrowed under the Direct Loan program have benefited from improvements in the Federal Family Education Loan (FFEL) programs through reduced fees and improved customer service as a result of increased competition between the two programs.

Overall, the programs authorized under the HEA work well and provide a strong foundation of support for higher education. As part of reauthorization, the Department will consider how to make these programs work better and how to ensure that they complement the President's proposed initiatives to increase savings for education and to reduce taxes for persons who invest in their education. Reauthorization will occur in the

context of a growing population of college students who need financial assistance, making this effort that much more important.

The Department's proposals will build on the accomplishments of the past four years and incorporate the following goals and principles, which aim to improve access to postsecondary education, reduce burden where appropriate, and ensure accountability for taxpayer funds.

I. Access—opportunity with responsibility. The Department of Education will continue to strive to ensure access to higher education for all students, while encouraging families and students to take responsibility for their own education. In this time of increasing demand for higher education and tight federal and state budgets, students and their parents must take an even more active role in financing their educations.

- *Students.* As primary beneficiaries of postsecondary education, students should invest in themselves and make the most of their educational opportunities. They should be rewarded for high academic performance and should not be penalized for saving or working to pay for college. Options for achieving these principles include further increases in the Pell Grant maximum, continuation of strong campus-based programs including the Work-Study program, providing students with a range of options for loan repayment (including income contingent repayment), encouraging students to save or work to finance their education, and providing necessary support for students with special needs.

- *Families.* To the extent that families are able to finance or contribute to their children's educations, they must accept this responsibility. Financial aid, including grants, work study, and loans, and tax incentives should be provided to help families and students meet this responsibility. The perception that families are penalized for saving must be changed, and the federal government should provide appropriate vehicles to encourage parents to save for their children's educations. Examples of ways that the federal government can encourage access and saving include increasing the maximum Pell Grant award, enacting the HOPE Scholarship proposal and the \$10,000 tuition tax deduction, and allowing Individual Retirement Accounts to be used for higher education.

- *Federal government.* The federal government can help families pay for college through targeted financial aid and tax incentives. This role includes making students aware of their

opportunities early so that they can prepare, academically and financially, for college, as well as making the financial aid delivery system more efficient.

- *States.* State governments play a vital role in providing access to postsecondary education through support for public colleges and universities and state student aid. The states should continue to invest in the education of their students in spite of tight state budgets and limited resources.

- *Postsecondary institutions.* Postsecondary institutions have the opportunity to obtain federal funds to help students pay for college and the responsibility to provide quality programs and support to students. Institutions also have the responsibility to be fiscally responsible, especially in their management of federal funds.

II. Support of effective education—high standards/high achievement. Federal programs should continue to promote and enhance outstanding educational opportunities and encourage students to take advantage of those opportunities to the best of their abilities. The federal government's programs and oversight responsibilities should also encourage the effective use of new technology and other innovations in the delivery of postsecondary education to provide high quality postsecondary education that meets the changing needs of students.

III. Simplify program delivery and improve management. Students and postsecondary institutions should continue to receive outstanding customer service in a predictable and seamless way so that they are assured of aid and can plan ahead. In particular, Federal programs should be simplified and burden should be reduced as much as possible while maintaining accountability for federal funds. The Department has worked during the past four years to reinvent regulations and reduce burden by eliminating requirements that do not protect the Federal fiscal interest, improve accountability, or protect students.

- *Providing strong customer service.* The reauthorization of the HEA should provide for an environment in which students are recognized as the most important customers of financial aid. Customer service should be expanded to make the delivery of student aid as efficient and effective as possible.

- *Reducing burden.* The Department of Education must administer its programs with the least burden possible on students, families, and institutions, while protecting students and federal

funds. Statutory, regulatory, and administrative burden must be reduced wherever possible for all institutions, and the Federal government should provide additional burden reduction to institutions with a record of outstanding management of federal programs and to institutions that pose little financial risk to Federal funds.

- *Ensuring accountability:* The Department of Education must ensure that taxpayer funds are not wasted or abused. Institutions that are not providing strong education or training should not be eligible to participate in federal programs.

IV. Improving outreach to potential students and linkages to employment and elementary/secondary education programs. The Department of Education must improve outreach to secondary students, including disabled and disadvantaged students. Federal programs should also help students move into the workforce.

Questions

As the previous principles and goals indicate, the Department is committed to enhancing access to postsecondary education for all students and working to reduce the costs and burdens associated with the programs. The Department seeks comments, ideas, or suggestions on the issues and ideas presented here, as well as the following questions, as it begins to consider proposals for reauthorization.

a. How can the Federal government continue to provide better access and promote additional educational opportunity for all students, including students with disabilities, within the framework of the Higher Education Act? How can the Federal government encourage greater persistence and completion of postsecondary education?

b. How can existing programs be changed and made to work more efficiently and effectively?

c. How can the programs be changed to eliminate any unnecessary burdens on students, institutions, or the Federal government, yet maintain accountability of taxpayer funds?

d. Are there other ideas or initiatives that should be considered during reauthorization that would improve the framework in which the Federal government promotes access to postsecondary education and ensures accountability of taxpayer funds?

Regional Meetings

Participants are welcome to address these and other issues relating to the reauthorization of the Higher Education Act, either by attending the regional meetings or submitting written

comments. Individuals who wish to testify at any of the regional hearings are encouraged to do so. Time allotted for each individual to testify will be limited and will depend on the number of speakers wishing to testify at each session. It is likely that each participant choosing to testify will be limited to three minutes or less.

The dates and location of the six regional meetings appear below. The Department of Education has reserved a limited number of rooms at each of the following hotels at a special government per diem room rate. To reserve these rates, be certain to inform the hotel that you are attending the reauthorization hearings with the Department of Education. The meetings are open to the public, and the meeting rooms and proceedings will be accessible for individuals with disabilities. When making reservations, individuals must indicate the need for any special accommodations.

Dates, Time and Location of Regional Meetings

December 6, 1996, 2:00 p.m.–5:00 p.m., Atlanta Hilton & Towers, Atlanta, Georgia; 1-404-659-2000 and ask for reservations.

December 9, 1996, 2:00 p.m.–5:00 p.m., Holiday Inn Select, Phoenix, Arizona; 1-602-273-7778 and ask for reservations.

December 10, 1996, 2:00 p.m.–5:00 p.m., Park Plaza Hotel, San Francisco, California 1-800-411-7275 and ask for reservations.

December 12, 1996, 2:00 p.m.–5:00 p.m., Hotel Sofitel, Chicago, Illinois 1-800-233-5959 and ask for reservations.

December 13, 1996, 2:00 p.m.–5:00 p.m., Back Bay Hilton Hotel, Boston, Massachusetts. 1-800-874-0663 and ask for reservations.

December 17, 1996, 2:00 p.m.–5:00 p.m., Washington Hilton Hotel, Washington, District of Columbia 1-202-797-5820 & ask for reservations.

Invitation to Comment

Interested persons are invited to submit comments and recommendations regarding the reauthorization of the Higher Education Act. Comments will be available for public inspection, during and after the comment period in room 4050, Regional Office Building 3, 7th and D Streets SW, Washington, D.C., between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday of each week except Federal Holidays.

Dated: November 14, 1996.

David A. Longanecker,

*Assistant Secretary for Postsecondary
Education.*

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