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**MOORE HOSTS SYMPOSIUM OUTLINING EFFECT OF FEDERAL BUDGET CUTS ON
HIGHER EDUCATION**

Worcester – With a deadline looming for the Debt Supercommittee in Washington to make its trillion-dollar spending cuts proposal, Senator Michael O. Moore (D-Millbury), other policy makers, members of the business community, and members of the higher education community met to prepare for potential cuts to financial aid programs. The symposium “On the Cutting Block: the Super Committee, Financial Aid, and What it Could Mean for Massachusetts” was hosted at Holy Cross on Monday, November 14th by Sen. Moore, who serves as Senate Chair of the Legislature's Joint Committee on Higher Education, and House Chair Tom Sannicandro (D- Ashland.) It featured panelists Jeremy Brandon, Legal Council for Senator John Kerry; Richard Doherty, President of the Association of Independent Colleges and Universities in Massachusetts; Bernie Pekala President of the Massachusetts Association of Student Financial Aid Administrators; and Andre Mayer of the Associated Industries of Massachusetts.

"As the federal government struggles to cope with its budget deficit and as politics takes precedence over sound public policy in Congress, a number of important federal programs relative to Higher Education are on the chopping block," said Sen. Moore. "Several of the cuts that will take effect as a result of the Budget Control Act of 2011 will have a direct impact on the higher education community in Massachusetts. These "first round" cuts, however, may only be the tip of the iceberg. Should Congress fail to meet certain arbitrary cutting benchmarks as a result of the Debt Super Committee's work, further drastic cuts will be triggered."

"We've seen a crisis of leadership in Washington for most of the last ten years. We've seen runaway spending but not on the things we should be investing in," said Representative Sannicandro. "Now, partisan bickering and corporate influence continues to muddy the water and some of our most crucial and important programs are on the chopping block."

The group was warned that cuts are already set to take place through the Budget Control Act of 2011 including the end of subsidized loans for graduate students and other cuts to Department of Education. There are other potential cuts on the table including ending certain subsidies for undergraduate loans, increased interest rates on student loans, and major cuts to the Department of Education. If the Super Committee does not reach an agreement the Budget Control Act calls for drastic reduction across the board in defense and non-defense discretionary spending over 10 years, including higher education spending

Richard Doherty of AICUM gave a portrait of just how important financial aid is to families in Massachusetts. In Massachusetts 117,000 students rely on Pell grants, 40,000 get SEOG grants, and 27,000 receive work study grants all totaling about \$486 million coming into the state per year. Further

about 188,000 students get \$900 million in subsidized loans and another 38,000 MA students take advantage of Perkins Loans. Many Massachusetts families take advantage of tax credits including 195,000 MA families that get the \$2,500 American Opportunity Tax Credit.

"The leadership and support for financial aid and research from Chairmen Moore and Sannicandro is critical to our developing a successful state response to the potential federal cuts we heard about today," said Richard Doherty of AICUM.

Bernie Pekala of MASFAA gave a view of what that could mean for individual students. It would mean that it was harder for kids to go to college and stay in college. He also pointed out that financial aid has already suffered major cuts, including cuts to year round Pell grant and the elimination of SMART grant and the Academic Competitive Grant starting in July of 2011.

Andre Mayer from AIM took a look at the situation from the business community's perspective. First, he pointed out that Higher Education is a major employer in Massachusetts, with about 150,000 people employed across public and private colleges and universities. These cuts could mean a loss of some real jobs. He also pointed out that colleges and universities are stable, resilient organizations. He also laid out how important college is to the Massachusetts economy, pointing out that 68% of all jobs will require post secondary education in Massachusetts where the skill requirements across employment has gone up. Andre pointed out that Massachusetts is well below the national average in spending on public higher education, at about 54% of the national average.

"Our higher education institutions and our research facilities are cornerstones of both our culture, and our economy. Job growth in the Boston and Worcester areas has surpassed the rest of the nation in no small part because of our highly-skilled, well-educated workforce," said Senator Moore. "Growing industries in our country such as health care, biotechnology, energy efficiency, and environmental conservation all look to Massachusetts as an ideal setting."

"We don't have oil. We don't have corn. Energy and land are expensive. And it isn't cheap to business here in Massachusetts. What we have here is brain power," said Representative Sannicandro. "Reductions in financial aid will mean less bachelors degrees at a time when we need more."

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