

Student aid according to Congressman John Ensign

Misinformation has been spreading like a wildfire across the country concerning the future of the student loan program. Fanning those

flames are reports from the media, special interest groups and even the president, which leave the public believing this Congress is planning to end student aid as we know it. Absolutely nothing could be further from the truth. Proposed changes to the student loan program will not deny loan access to a single student. I'd like to shed some light on what is and what is not going to happen to student aid programs in the future.

First, everyone on Capitol Hill agrees on the need to offer students access to a higher education or career-specific training. The jobs of the 21st century—jobs that pay well and offer families a decent standard of living—will require skills beyond high school. As one who has benefited from student loans, there is no doubt in my mind that it is in our national interest to foster education. However, much of the student loan rhetoric comes from special interest groups and legislators who worry little about balancing the budget. Those who are digging in their heels to maintain the status quo claim that balancing the budget is a crushing blow to students. The fact remains that the national debt is the single most threatening obstacle to the prosperity of all Americans, especially students.

If this Congress fails to act now, by the year 2002 the national debt will exceed \$6.5 trillion. Unless growth rates and mandatory spending are slowed, all federal revenues will be consumed by a handful of programs. At this rate, student loans will not be among the handful. According to Pres-

Guest Column

JOHN ENSIGN

ident Clinton's 1995 budget, unless we gain control of spending, the lifetime tax rate for children born after 1993 will exceed 82 percent.

Federal Reserve Chairman Alan Greenspan testified before Congress that if we can balance the budget, interest rates would drop by at least 2 percent. That affects everyone by reducing interest rates for student loans, home mortgages and auto loans. So the question is not whether the budget needs to be balanced. The question is how can the budget be balanced fairly to make sure student aid is available in the future.

The House and Senate have already adopted a blueprint which will balance the federal budget by the year 2002. In order to reach this goal, congressional committees were given instructions to recommend specific changes in law which would reduce mandatory spending to meet balanced budget targets. Each committee's changes are wrapped into a larger bill, known as "reconciliation," that will be considered by Congress later this fall. The House Economic and Educational Opportunities Committee was required to find \$10 billion in savings over seven years from the student loan program. Although \$10 billion sounds like a massive cut to student loans, I wanted to explain how that number will be met without eliminating a single guaranteed student loan. Some of the savings recommendations are not popular, but they will keep increased costs to students at a minimum.

The plan under consideration by the education committee will not eliminate the in-school interest subsidy, either for undergraduate or graduate students. Nor will loan origination fees or inter-

est rates increase. The plan calls for the elimination of the brand-new Direct Student Loan Program, a proposal which is opposed by President Clinton and some schools. However, the elimination of this government-run, bureaucratic program will result in \$1.2 billion in savings toward the \$10 billion budget savings target. The plan also proposes to save \$5 billion by requiring banks, guarantee agencies and secondary markets that participate in the student loan program to bear substantial cost reductions in the form of increased fees and increased risk sharing. Hardly cuts, these two measures alone would save \$6.2 billion without taking a single cent from students.

Students and parents do face slightly increased costs. Students will be asked to be responsible for the interest on their student loans which accrues during the six-month grace period following graduation. However, students may defer payment of this interest during the entire six months so that no student will be required to make payments during this time period. Parents who borrow under the PLUS

loan program will be asked to pay a slightly higher interest rate on their loans. The combination of these two provisions will add almost \$4 billion to the total savings in the reconciliation bill.

For the average student at UNLV taking a four-year guaranteed student loan, the increased cost will only be \$4 per month for the life of the loan. I doubt that no one—when the alternative is a crushing national debt that threatens the survival of education programs—could argue that this approach is a draconian way to balance the budget and reduce national interest rates.

On another note, the House recently passed the 1996 education funding bill. That measure, which I supported, targeted resources to the neediest students by increasing the maximum Pell Grant award to \$2,440, an all-time high. While students qualifying for Pell Grants of less than \$600 would lose eligibility, the bill provides continued access to guaranteed loans for expenses previously covered by Pell Grants. Furthermore, two programs vital to college students are funded at last year's level:

the College Work-Study Program will continue to receive \$617 million. Federal Supplemental Educational Opportunity Grants and the TRIO program—programs designed to benefit minority and disadvantaged students—were allotted over \$1 billion this year, same as in 1995.

While we all would like to write a blank check for every worthy program, it is fiscally impossible. I know you will agree that a fair approach to achieving a balanced budget is necessary. To do this, costs to students and parents are not substantially increased while loan access is preserved for all eligible students. Each year we pay \$242 billion in interest alone on our spiraling national debt. This money could be effectively used to fund a variety of other important programs.

Our country is drowning in red ink. The sooner we get payment of this debt behind us, the sooner essential education programs will receive the full funding they rightly deserve.

—John Ensign, R—Nev.,
represents Las Vegas
in the U.S. Congress.

Letters to the editor

Greenspun director takes exception to column

To the editor,

I am writing in response to Mr. Caliguire's opinion piece, "Let's put all the scandals behind us," in the Sept. 7 issue of *The Rebel Yell*. In this article, Mr. Caliguire complains bitterly about a wide range of perceived problems at UNLV, worrying about the negative public image of the university and the limited value of the degrees it offers. I would probably have ignored this overwhelmingly negative bit of whining diatribe, if Mr. Caliguire had not falsely indicted and demeaned the programs of the Greenspun School of Communication, as well as the programs in architecture and social work, by suggesting the degrees we offer are not accredited. As executive director of the school, it is my responsibility to set the record straight.

All of the academic programs at UNLV, including the communication program, are accredited by the Northwest Association of Schools and Colleges, one of six regional associations in the United States which accredits schools, colleges, and universities. While the Greenspun School of Communication is eligible to seek additional accreditation from the Association for Education in Journalism and Mass Communication, such accreditation is not required to grant sanc-

tioned and universally accepted degrees in communication. Like the vast majority of communication programs across the country, including programs at many of the nation's most prestigious universities, we use the general university accreditation as accreditation for our degree program. By suggesting in this article that our students are not receiving legitimate degrees, Mr. Caliguire is promulgating a blatant lie and spreading exactly the kind of vicious rumor about UNLV that the title of his article suggests he wants to put behind us.

I am very proud of the quality of the undergraduate and graduate degree programs of the Greenspun School of Communication. Our graduates hold very important jobs in a broad range of significant corporate, government, and academic organizations. The faculty and programs of the Greenspun School of Communication are well known and internationally respected. I suggest you get your facts straight, Vince, before condemning excellent academic programs, such as the ones offered by the Greenspun School of Communication at UNLV.

Gary L. Kreps, Ph.D.
Professor and Executive Director
Greenspun School of
Communication

Student wants university to pay

To the editor,

We students have to tolerate long lines at the cashier's service on campus during the two weeks after classes begin. Maybe that is to be expected

based on the large number of students attending the university. However, after those two weeks, we are captives when we have to transact business at the cashier's office. If there are people waiting in a line that reaches the entrance, they never bother opening another window (although they have four available). It would speed up things for the students, those of us that are the reason for those personnel to have jobs, if they would see that the students are serviced promptly. We students are not here for them. They are here to service us.

Ms. Susan Place is the only one there that seems to recognize the fact and treats all students with respect.

Recently, my wife and I paid in a total of \$354.00, in two checks of \$172.00, to the university. Both checks were cashed, only one was credited to satisfy my payment. We had to have our bank research the checks and make copies at a cost of \$6.00 and deliver the copies to the Bursar's Office. As the error in crediting our accounts was the problem of the university, I requested a refund of the \$6.00, but was told that it wasn't going to happen under any circumstance. Rest assured, if we students were guilty of making a mistake we would be required to make restitution to the university. It is a small amount of money, but the principle of equity is great.

Robert M. Butler
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