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Two years ago, the Perkins loan program supported more than 300,000 low-income students at more than 1,700 U.S. institutions. (Unsplash/Nicholas Barbier Garreau)

by Thomas J. Botzman

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More than 40 years ago, a young adult with very modest family means began an uncertain journey in higher education. It was fraught with many pitfalls and unknowns, as this aspiring collegian was one of 13 children and had to finance his college education on his own through a mixture of loans, grants, scholarships and institutional financial aid awards.

Thankfully, in the late 1970s and early 1980s, financial aid for students in need was somewhat plentiful. Over his four years in college, this engineering major secured national direct student loans, supplemental educational opportunity grants, basic educational opportunity grants, Ohio instructional grants, institutional grants and more, while also earning extra money in the work-study program on campus.

He eventually earned his undergraduate degree and entered the workforce, where he became the inventor of 12 U.S. patents for a major tire manufacturer. Since then, this lifelong learner has earned his master's in economics and doctorate in business administration, and returned to higher education to teach and lead the next generation.

Why am I sharing my story with you today? It is not unique, I agree. Many students in need struggle to finance their college educations to this day, just as I did from 1977 to 1981.

Unlike then, though, financing college degrees for students in good standing is becoming more complicated and ambiguous. Take the federal Perkins loan program, for example. Two years ago, the federal government moved to eliminate it, even though it supported more than 300,000 low-income students nationally at more than 1,700 institutions. The idea was to streamline financial aid to one grant, one work-study program and one loan per student.

The one-plus-one-plus-one scenario is interesting, but we need to find a practical way to make it work before removing our students' current support structure. With bipartisan support, the Perkins loan program was saved in 2015, and students continued to have greater access to higher education.

Unfortunately, we are back to the same situation. Unless Congress acts by Sept. 30, the extension will end. Its replacement has not yet appeared for public consumption, and as I wrote two years ago, "We have taken a solid program that works for everyone and replaced it with, well, nothing. That's not solid policy, good

government, or building a future for all of us.”

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Hope remains, however, as a bipartisan group of 77 lawmakers has introduced House Res. 2482 to once again save the Perkins loan for students in need.

Perkins loans supplement larger federal financial aid programs, such as the Pell Grant. Students do not need to repay Pell Grants, and the Perkins program carries a 5-percent fixed interest rate over 10 years. Institutions, such as Misericordia University where I serve as president, contribute to the loan fund to supplement the taxpayer portion. Misericordia has more than \$600,000 committed to the program in the form of loans in support of over \$1 million in federal funds.

If the program ends, universities and the federal government recover their investments; students who need funding — get nothing.

The federal government could simply stop contributing additional dollars and let student payments fund future loans. In fact, that has been the practice since 2004. Are we going to eliminate a fully funded program that works for students and taxpayers alike for the purpose of oversimplification?

**[Related: Perkins loan program slated to expire Sept. 30](#)**

The annual cap for a Perkins loan for undergraduates is \$5,500 annually, with the average loan being about \$2,000. Those students are going to pay taxes after graduation for about 40 years. This seems to be a terrific investment and a way to provide access to students with limited resources.

A simplification of higher education financial aid is indeed a laudable goal. It was a primary effort in the last reauthorization of the Higher Education Act in 2003. The act technically expired in 2013, leading to numerous efforts to construct a new act or the next reauthorization.

In my opinion, we should not end successful programs prior to creating a new Higher Education Act that can support all students who are capable and ready to work toward a degree or certificate. Colleges and universities, including Misericordia, are ready to continue to use our financial contributions for today’s students. I hope our

legislators will continue to provide federal support to match university funds in support of our capable students and future community leaders.

[Thomas J. Botzman is president of Misericordia University in Dallas, Pennsylvania.]

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