LDA Third Quarter Lobbying Report

As a reminder, the third quarter Federal Lobbying Reports is due October 20 for the reporting period July 1 – September 30. We will be sending out a future email with additional details shortly. If you have any questions, please contact Alex at alex.krigstein@suny.edu.

FY14 Budget/Government Shutdown

Going into the weekend, Congress and the White House are not any closer to end the government shutdown that began at midnight on October 1. Moving forward, it looks like the debates about reopening the government and raising the debt limit are being rolled into one.

At this point, House Republicans refuse to fund government unless the Affordable Care Act (ACA) is delayed or defunded. Senate Democrats — backed by the White House — say the House must pass a clean continuing resolution (CR) that funds the law. With leadership unable to find a solution, some moderate Democrats and Republicans are working on a compromise spending bill that would fund the government for six months at the $988B sequester levels, while including a repeal of the medical device tax, which has bipartisan support.

Republicans still believe they can win concessions from President Obama on both entitlement cuts and curtailing the ACA — as part of a “grand bargain” on both spending and borrowing. However in a meeting Wednesday night with Congressional leaders, the President forcefully reiterated his stance that there will be no negotiation until the federal budget is passed and debt ceiling is raised.

In the meantime, House Republicans plan to keep pursuing the current strategy of pushing mini CR bills to open the most politically popular portions of the government. To date, the House has passed several bills including funding for veterans programs, National Parks and the National Institutes of Health. The House Rules Committee reported more mini CRs that could be considered this weekend. However, the Senate has stated they will reject this piecemeal approach and the President has stated he would veto the bills.

Department of Education Releases FY11 and FY10 Cohort Default Rates

On Monday, the Department of Education (ED) released figures on borrowers who defaulted on federal student loans within two years of starting repayment. The data shows an increase for the sixth year in a row, with one in ten borrowers who entered into repayment defaulting.

The average two-year default rate for public institutions was 9.6 percent, compared with 5.2 percent for private institutions. For-profit institutions had an average two-year default rate of 13.6 percent.