

U.S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

PUBLIC REGIONAL HEARING ON
NEGOTIATED RULEMAKING

Friday, September 19, 2008
9:00 a.m. – 4:00 p.m.

3rd Floor Ballroom
2901 Stadium Drive
Fort Worth, TX

PROCEEDINGS

MR. KERRIGAN: My name is Brian Kerrigan. I'm with the Office of Postsecondary Education. To my right, I have Fred Marinucci from the Office of General Counsel at the Department of Education, and to my left I have Fred Sellers, also with the Office of Postsecondary Education. Out at the desk out in front we have John Kolotos, Michelle Belton. They are also with the Office of Postsecondary Education. Basically, we're here to listen to you. And the first thing I want to say, however, is that, on behalf of all of us, I would like to thank Texas Christian University, and in particular Chancellor Victor Boschini for hosting this event here. This event is the first of six that we're going to have throughout the country, the purpose of which basically is to gather information from you about your ideas about the agenda and about the issues that we should be considering when we get into negotiated rulemaking to talk about how we're going to implement the changes to law that were brought about by the Higher Education Opportunity Act of 2008. There is a sign up sheet out front. I've been informed that, at this point in time, the first person to sign up wants to speak at 9:50. Before we get to that, the very first person is going to be Chancellor Boschini, and he will be speaking in a couple of minutes. If anybody has not signed up and wishes to speak after Chancellor Boschini speaks, between that point in time and 9:50, please go ahead and sign up and let us know. We do have that open space at this point in time. As you can see, we do have a sign interpreter. Anybody who needs that help can check with the people at the front desk and we can make sure that that is taken care of for you. In addition to making oral remarks here, you can submit written comments to the Department. You can submit them after you make your oral remarks, and anyone who is unable to attend one of these sessions can also submit comments to the Department. There's a Federal Register Notice that was published around September 8th of this year, and there's an address in there where you can send this information. And again, you can send that information even if you do not attend one of the six sessions that we have throughout the country. Fred Sellers is going to make a couple of comments at this point in time about the negotiated rulemaking process and about a couple of other things, and then we will get started with Chancellor Boschini. Again, I want to thank Texas Christian University for hosting this event. It is very gracious of them, and we are very grateful to them.

MR. SELLERS: Good morning, everyone. I was just going to go over a little bit about what the processes are. We have this new Act now, the Higher Education Opportunity Act. We have to do rulemaking around it; it's fundamentally the reauthorization of the whole Higher Ed Act after some other pieces over the last few years. And really, we have two rulemaking processes; you can call it non-negotiated rulemaking and negotiated rulemaking. These hearings are primarily focused on the negotiated hearing process, and the public comments we want for that. However, we welcome comments on anything to do with the reauthorization of the Higher Ed Act and the other programs beyond those affected by negotiated rulemaking.

If we were doing non-negotiated rulemaking, basically the Department creates an NPRM pretty much on its own, maybe with some kind of knowledge of what folks are doing--want out there--and we seek public comment and then do a final reg based on the public comment we get back. And normally, that's handled for non-Title IV programs, like Title II Teacher Quality, Developing Institutions, some of the other programs of that type.

For Title IV, we do the negotiated process, except this round we're going to have some non-negotiated rulemaking around the Academic Competitiveness Grant Program and National SMART Grant Programs, because we were exempted from negotiated rulemaking to make some changes that need to be done more quickly than we could do if we were subject to the master calendar and to negotiated rulemaking.

In negotiated rulemaking, basically, we start off with public hearings like this. We seek public comment about issues--from the public, and concerns the public has. We do it through the hearings here and through written comments you can submit that are--you can submit it to the address in the Federal Register Notice. We'll take those public comments in a review of what we see in the Act and go back and develop the idea of what areas we need to negotiate on, the subject areas for committees, and we'll be publishing a notice about that, and we'll announce what subject areas we're going to negotiate, what the proposed committees are, and request nominees for those committees to come and participate in the negotiation process. That process may begin in February 2009. I say "may" because you recognize we have a change of administration coming. We're making sure everything is set up to go, but we will be subject to new bosses by then. So, we're just doing the best we can to be as ready as we can.

Once we do the negotiation process, which usually involves the committees meeting about three times over three or four months, with the staff at the Department going back from each meeting and developing stuff to take to the next meeting, we'll publish a notice of proposed rulemaking and the public will be invited to comment on the proposed rules that came out of the negotiation process, and then based on that public comment will publish final rules. For the student aid programs, we're subject to a master calendar deadline date of November 1, 2009, for any rules we would want to be in effect for July 1, 2010--for the 2010-11 school year.

I'd like to reiterate how much we are happy to be here, and we look forward to hearing the public's comment on these different matters, and they are really valuable to us. Even in the old process, the public

comment meant so much to us, and I don't think a lot of folks understood that, but the public comment is very helpful to us. Thank you.

MR. KERRIGAN: Chancellor Boschini.

CHANCELLOR BOSCHINI: Thank you. Good morning, and it's a pleasure for us to have you and an honor for us to have you here today. American higher education is the most diverse in the world, and that's a pretty commonly held belief. It includes research universities, private liberal arts colleges, faith-based institutions, historically Black colleges and universities, small public colleges, massive state systems, community colleges, and proprietary schools. Together, we represent the multiplicity of choice and the richness of educational opportunity in the states. Other groups also assure students have access to the capital to attend higher ed, helping to open educational opportunity to all. These include direct lenders, private lenders, guarantors, secondary markets, and servicers. Their representatives also are here today, as well as a variety of other people who help to assure students receive a quality education, such as the accreditors. And I want to offer a special welcome to student representatives who might be here today. I know they can be very knowledgeable. One of our TCU students, Amanda Edmostin, who is here today, is an excellent example. She was involved in lobbying for several proprietary sector institutions while she learned about educational policy as an intern in Washington last fall. I'd also like to recognize those from the Department of Education. Together, we work on behalf of all Americans. It is our responsibility to make sure institutions are good stewards of public funds and worthy of the public trust.

I speak to you today as Chancellor of Texas Christian University, but my remarks will also reflect my roles beyond the campus as Board Chair of the National Association of Independent Colleges and Universities, and also a member of the Independent Colleges and Universities of Texas. We've traveled a long road to reach this point. Perhaps no one in this room is fully pleased with the Higher Education Act as it is reauthorized. Perhaps the least happy may be those in the Department of Education, who are faced with the difficult task of implementing this massive law in a relatively short period of time. I applaud your efforts to conduct these regional hearings swiftly and efficiently, and to get the negotiated rulemaking process underway. I'd like to do two things today. First, I'd like to offer some guiding principles for the rulemaking process that I hope we can all agree upon. And second, I'd like to offer some suggestion on those issues particularly of--of particular importance to NAICU and ICUT.

First, the law is the law. Had any of us in this room had the privilege of crafting this legislation, it would undoubtedly be different, but for better or worse, Congress has spoken. The negotiated rulemaking process should not be a venue for reopening or trying to undo decisions Congress has made. Simply put, the Department does not have the authority to undo congressional decision-making, nor should we revisit the last six years of debate on matters that are already settled.

Second, less is more. It's no secret that colleges in general believe that this bill is going to add enormously to our costs. The burden of the new reporting requirements alone is mind-boggling. However,

the final bill did take a number of steps to ease that burden. These include existing IPEDS definitions, converting several provisions from mandates into institutional reporting requirements, and using such new tools as postings on campus Web sites instead of reports to the Department of Education. I encourage everyone to approach the rulemaking process with the recognition that often the simplest option is the best, particularly if such an option is more useful to consumers and is less expensive as well.

Third, please select negotiators who are legitimate representatives of the affected parties. At several points during the past decade, negotiators with a rather narrow perspective have been chosen to represent broad sectors of American higher education. This has been a disservice to the negotiators, who are often torn between allegiance to the employers who nominated them and allegiance to those they have been assigned to represent. Admittedly, there is value in having a variety of campus perspectives represented, as well as views from beyond Washington. However, there are also many experts in Washington who are immersed in the details of this legislation and knowledgeable of both our needs and the intent of Congress. Please include our legitimate representatives.

Now, there are several areas I want to highlight on behalf of private colleges specifically. First, Student Loan Sunshine. Some of the most complex areas of this legislation are the sections addressing conflict of interest between colleges and lenders. We welcome these new guidelines; however, the legislative language is still a bit murky. Some Sections are in Title IV, which is subject to negotiated rulemaking, while others are in Title I, which is not. To help restore public confidence in our student lending practices, these issues must be clarified.

I'm also concerned about transfer of credit. This was one of the most contentious areas throughout the reauthorization process. Every college must publish its transfer of credit policies and articulation agreements on its Web site. Traditional nonprofit colleges would have preferred no mention of transfer of credit in law, while for-profit colleges would have preferred federal mandates on institutional policies. Neither of us truly got what we wanted, but this is a clear example of Congress having spoken. Despite its difficult political history, this provision should not be difficult to implement. Postsecondary institutions should be required to post obligatory information on their Web site in a manner appropriate to them. College Navigator should simply link to the section of each institution's Web site where this information appears.

Of course, you know there are many new reporting and disclosure requirements in this law. It requires numerous reports and disclosures in areas such as fire safety, campus emergency response, and file sharing. Over the years in which reauthorization proposals were debated, these provisions have been refined in response to concerns about the cost and complexity they would impose. Further regulatory embellishments should be kept to a minimum. I've not included on my list the private college concerns--the various provisions on college costs or the new disclosures for the College Navigator Web site, given that they are not subject to the negotiated rulemaking process. These provisions include the development of college costs watch lists, the definition of net price, and the creation of net price and multiyear tuition calculators. Allow me to discuss them briefly, however, because these new provisions are enormously complex, and all of them carry enormously high stakes, since they will have a significant impact in shaping

public perceptions of individual institutions. Throughout its cost section, the legislation directs the Department of Education to consult with higher education institutions in developing these new tools. While following this directive will not entail a formal negotiated rulemaking process, I do believe the same guiding principles I spoke of earlier are appropriate for the cost provisions, and I respectfully urge the Department officials to follow them.

Finally, whether I personally like or don't like particular provisions of this new law, I do want to get it right on my campus, and adhere to the direct intent of Congress. I believe that my colleagues at colleges and universities across the country feel the same way. We need guidance on what is expected of us, particularly given that most of the new provisions became effective August 14th. While the rulemaking process is under way, let me request that the Department provide a list of actions that colleges should take now, as well as give us a sense of how we should approach these new requirements in the absence of regulatory guidance. Again, many thanks for allowing me to kick off this section, and thank you for choosing TCU for your first hearing. I wish each and every one of you a productive day, and please let us know if you need anything throughout the day. Thank you.

MR. KERRIGAN: Thank you. If anyone has signed up between my opening remarks and this point in time, they would be able to come forward right now. If not, again, the next person who is signed up is scheduled to speak at 9:50. So, we would be waiting for anyone else to step forward or for that person to come at that point in time. I would also mention--I did not indicate earlier, I don't believe, that your remarks will be captured and there will be a transcript presented to the Department, so that nothing that you say will be lost to us. Even though you don't see us taking a lot of notes, we will get things word-for-word through our transcript service. So, at this point in time, if there's no one else is scheduled to sign up, we will be waiting until 9:50 when the next person has indicated he is going to speak.

MR. SCOTT: I'm ready to go, if that's all right.

MR. KERRIGAN: That's perfectly fine.

MR. SCOTT: My name is Mike Scott and I'm the Director of Financial Aid here at TCU. My office will administer approximately \$50 million in Title IV funding, so we're very appreciative of the help that this Act gives us. Chancellor Boschini addressed several issues of importance both to TCU and to independent institutions across the country, and my staff would certainly want to add our second to proposals that Chancellor Boschini made. And while it's true that, under normal circumstances, no self-respecting financial aid officer worth their salt would pass up a chance to complain to a group of Department of Education officials about regulatory reporting burden, I'm not going to do that today, because my suspicion is that this time you may be just as confused as we are as to how to get some of this stuff enacted. And I'm not even

going to complain about the TEACH Grant. So, hopefully, this will be a little bit better atmosphere for you guys today.

I've just got a couple of comments that I want to make, and I'll do this briefly. There's two pieces of the legislation that I felt the need to just add a little detail to or make a suggestion for. Sections 152 and 153 contain just a myriad of disclosure requirements for schools who maintain preferred lender lists for both FFELP lenders and lenders in the private sector for private educational loans. And while I have no objection whatsoever to full disclosure of lender selection, I'm somewhat concerned about the tone or the direction that some of the legislation and that these new rules are taking. A lender list is in fact the only real tool we have to protect our students from making costly mistakes in the application process. My institution goes to great lengths to evaluate the lenders we recommend. We calculate APR and approval rates. We make secret shopper calls to evaluate customer service, and we track servicing issues on a weekly basis. Now, to illustrate my point, I'd urge you at some time to just Google the term "student loans." Try to select the best loan based on the information you find during that search, and you'll know what most students go through if a school doesn't have a lender list. What most students will do after being barraged with these unfamiliar terms and concepts is to simply give up and select the lender that advertises the lowest interest rate. Of course, we all know that interest rate is but one part of the overall cost of a loan. There are fees, repayment incentives, early payment penalties, and interest capitalization. What about approval rates? These are things that we research and we calculate so that students don't have. Here's an example of why you and I know this is so important: When you and I go shopping for an auto loan or a mortgage, we might apply for preapproval from several different lenders to find which one has the best rate or will offer us the best deal. As we do this, credit rating agencies are able to group these inquiries together, and consider them as just one application for credit. Unfortunately, this isn't the case with student loans--specifically, private student loans. Consequently, students that apply for prequalification can end up with a ding on their credit report for each inquiry they make. They can actually ruin their FICA score while searching for the best interest rate. Within the last year, the Department has issued rules on how schools select preferred lenders. Many states have issued codes of conduct and regulations on preferred lender lists. NASFAA has issued its own code of conduct, and Congress has added even more regulatory requirements. And again, we have no problem with any the requirements that are being made; in fact, we already do all of those. But schools have lender lists to help students, period. Unfortunately, though, some of our colleagues have decided that constructing these lists is simply not worth the liability and the risk with all the new regulations, and that's a disservice to our students. As the Department considers guidelines on the implementation of these requirements, I urge you to keep in mind the valuable service that these types of lists and preferred lender lists provide, and understand that many in the aid community feel that we're working under a suspicion of being guilty until proven innocent just for trying to help our students.

Section 472 of the Act speaks to the ability of an aid administrator to use what we refer to as professional judgment. The new regulations specifically addressed two areas, which are now--which we are now "allowed"--and that term is actually what I'm emphasizing--that we're actually allowed to use discretion

in making adjustments to data elements that affect the expected family contribution. Now, note that I have no issue with either of the two areas: adjusting for both extraordinary medical expenses and dislocated worker status--is certainly worthy of consideration and will no doubt help many students. My concern lies in the apparent interest in defining the circumstances under which professional judgment can be used. I'll call your attention to Section 479(a), which states--and is already in legislation--states "Nothing shall be interpreted as limiting the authority of the financial aid administrator on the basis of adequate documentation to make adjustments on a case-by-case basis to the cost of attendance, or to the values of the data elements required to calculate the expected family contribution. Section 479 then goes on to clearly state, for situations where we cannot use professional judgment, fair enough. But now that Congress has begun to legislate specific allowable situations, I fear that we will actually add confusion to a process that actually already works pretty darn well. I know it seems counterintuitive, but by further defining what is allowable, you imply that other decisions may not be. In my opinion, this is one area in which we definitely don't need further guidance. Section 472 also stipulates that aid administrators are now allowed to use their discretion to offer unsubsidized Stafford Loans to dependent students whose parents do not support them and refuse to complete the FAFSA. While certainly well intentioned, I fear that this action may actually result in some yet unforeseen outcome that will prove to be a calamity for aid administrators. A basic tenant of needs analysis is that a parent's unwillingness to pay neither establishes a student's dependency status nor impacts the outcome of calculating a family's ability to pay. Please keep that principle in mind if schools do begin to ask for additional guidance in that area. Thank you.

MR. KERRIGAN: Thank you. Okay. Again, the next scheduled person is scheduled at 9:50. And so, we will wait until 9:50, in the absence of anyone else wishing to go earlier. If the person scheduled at 9:50 wishes to go right now, Becky Thompson, that would be fine as well. Hello, Becky.

MS. THOMPSON: I was just thinking, 9:50, I wouldn't have to go first. Good morning. My name is Becky Thompson, and I'm the Assistant Vice President for the Western Region Client Services at EDFUND. EDFUND is a not-for-profit public benefit corporation, and one of the Nation's leading providers of student loan guarantee services under the Federal Family Education Loan Program. EDFUND offers students a wide range of financial aid and debt management information while supporting schools with advanced loan processing solutions and default prevention techniques. EDFUND was founded in 1997, and in '06-'07 processed more than \$9.3 billion in student loans, and managed a portfolio of outstanding loans valued at more than \$30 billion. EDFUND is based in California, and we operate with regional representatives such as myself located throughout the Nation. I am pleased to be with you here today to discuss just a few issues that are of particular importance to EDFUND and the schools, students, and families that we serve. I will keep my comments brief, but I did want to let you know that we will be submitting additional written comments or testimony and covering other issues as well. Before I address the specific issues, we would like to take this opportunity to applaud the U.S. Congress for reauthorizing the Higher Education Act through

the passage of the Higher Education Opportunity Act. We at EDFUND believe that the new law contains many provision that will continue to open the doors of opportunity for millions of American families, and we look forward to working with you in conjunction with our trade associations to implement the new law with the best interests of the students and families we serve foremost in our thoughts and actions.

The first topic I'd like to discuss relates to entrance and exit counseling activities performed by lenders and guarantee agencies in conjunction with school personnel. Language included in Section 493(e) of the HEOA explicitly states that entrance and exit counseling activities are not considered a gift under the gift ban section. The law also explicitly allows lenders and guarantors to perform exit counseling services in Sections 422(d) and 436(c) under the supervision of school personnel. Conversations with congressional staff have indicated that they believe the language adopted in the HEOA permits lenders and guarantors to provide both entrance and exit counseling. Based on the legislative citations provided, and the express congressional intent, we request that the Department modify its regulatory position on guarantors and lenders performing both entrance counseling and exit counseling on behalf of any institution. EDFUND believes that by--EDFUND believes that allowing lenders and guarantors to assist both direct loans and FFELP schools with entrance and exit counseling activities is good for schools, good for the loan program, and most importantly, good for students. As financial aid offices are increasingly stretched for resources, lenders and guarantors are best equipped to provide the most comprehensive and accurate information to student borrowers on the specifics of their loan obligations and what options and programs, including federal, state, and institutional, exist to ensure a successful repayment experience. We request that the Department align its regulation with the HEOA and with congressional intent with regard to entrance and exit counseling performed for any FFELP or direct lending institution that may request assistance.

The second topic I'd like to address relates to a new provision in the law that requires schools with cohort default rates of 30 percent or more to assemble a default prevention taskforce responsible for creating a default prevention plan to be submitted to the Secretary. EDFUND, along with our other guarantor colleagues, play a valuable role in this process by working directly with schools to develop strategies to lower their cohort default rates. Guarantors have consistently demonstrated success in assisting students with successfully managing their student loan debt obligations. The growing importance of this work has been emphasized by increasing--by increased requirements for guarantee agencies to provide financial literacy education and other resources to both schools and students, showing these agencies to be knowledgeable and effective, trusted agents. A school with a higher-than-desired default rate likely does not have the resources and experience needed to effectively assist its students in money management and avoiding delinquency and default. By including the guarantee agency in the taskforce designed to help the school develop and implement its default prevention plan, the school is able to take advantage of countless resources and expertise to assist both the school and its students achieve success, as well as ensuring that these default prevention plans become the effective tools they are intended to be. We also welcome the opportunity to work with the Department globally to help develop best practices for default management plans. The two topics I've addressed here today represent two opportunities for the Department to

strengthen the student loan programs by utilizing the demonstrated experience of the guarantor community to better serve postsecondary institutions and the students we all serve. Thank you for this opportunity to speak with you today.

MR. KERRIGAN: Thank you. All right. The next speaker is Rachel Kincaid, and she's scheduled to go at 9:40. And so, anytime between now and 9:40, she can step up to the microphone.

John: I've got 9:50.

MR. KERRIGAN: 9:50? Thank you, John.

MR. PETTIBON: I think I'm after the break. My name is Joe Pettibon, I'm the assistant Provost for financial aid at Texas A&M University, and I share many of the same sentiments that others have already expressed today, with this bill being passed, and the many good things. One of the things from a financial aid standpoint that we think very favorably of is obviously the year-round Pell Grants, and those provisions. I would encourage, as I imagine the Department is already looking at, following the similar rules that were set up through the TEACH Grant process and negotiated rulemaking for the year-round Pell and how that will operate. What I'm more concerned with is the implications of the new section, the Title X Private Student Loan Transparency and Improvement, and in particular the self-certification that students now will have the opportunity to do to lenders that--with information that they gain from the financial aid office. So, as I understand it, we're being asked to now provide a form which provides basic information such as the cost of attendance, the expected family contribution, and the amount of their estimated financial assistance. And while one can debate whether or not a self-certification, nevertheless, my concern is with the implications of that. What exactly is the responsibility of the school once that information is provided to the student? Under current Title IV regulations, we must take into account any resources that students are receiving. We are now enabling a process for them to obtain private loans, but do not necessarily know the information about how they are receiving--whether or not they are actually receiving or the amount that they may be receiving. So, what obligation do we have to follow up with the student to obtain that information, and what obligation does the student and/or the lender to provide that information back to the school if the student ultimately does obtain that private loan. That is specifically the concern I wish to address. I would also echo Mr. Scott's concerns about professional judgment and further delineating that. And in particular, the professional judgment for the unsubsidized Stafford Loan. While I suspect that some guidance may need to be provided to schools, I would caution that it not be overbearing, or too much guidance in that particular realm. And with that, I will close my comments. Thank you.

MR. KERRIGAN: Thank you.

MR. STUDER: I'm scheduled for 10:00. Is it all right if I go now?

MR. KERRIGAN: That will be fine, since there's nobody scheduled at this point in time.

MR STUDER: Okay. Good morning. I'm James Studer. I'm the Associate Vice Chancellor in the Office of Academic Affairs at the University of Texas system, which has an enrollment of 194,000 students on 15 campuses. Today, I am representing the University of Texas system, and EDUCAUSE has knowledge of my testimony today. I'm specifically addressing section 488 of the Higher Education Act as it applies to the issue of enforcement procedures related to peer-to-peer file sharing on movies and music. We understand and appreciate the need for the movie and music industries to protect their products and their copyrights. We also understand that students and others in higher education make up only a very small part of all the Internet users who might be violators of copyright laws. As such, we do not want the regulations to place a heavy financial burden on our institutions, enforcing laws on behalf of a third party. Indeed, the conference report states our concerns quite clearly in suggesting that a one-size solution does not fit all of higher education. We have no problem with informing our students about copyright laws and the consequences of violating the law. We do that now, and we will continue to do that every year. As noted in the conference report, the various software and other technologies that are available today to monitor and discourage downloading of large files will change in the near future, and will continue to change as technology progresses, thus the rules need to be quite flexible and general in nature and not proscriptive, as noted in the conference report.

The resources of the institutions and higher education to enforce the mandate of the law are quite different from institution to institution. For example, in the University of Texas system, the technology resources at the University of Texas at Austin with 50,000-plus students is very different from the technology resources of the University of Texas at Permian Basin with just 3,500 students. The language of the conference report is very pertinent in this case, and I will quote two examples. For example, the phrase, "To the extent practical," is a very useful guideline. Or "these approaches may," and I underline "may"--"provide an institution with the ability to choose which one best meets its needs depending on that institution's own unique characteristics, such as cost and scale." We believe it is very important to include this type of language in the rules.

So, in summary, as the rules are written, consider the good ideas in the conference report about, one, one size does not fit all. Two, give institutions flexibility in developing their solutions to comply with the law. Three, understand that this area of technology, peer-to-peer file sharing and ways to manage it legally are changing very rapidly. Three, technology costs of an institution of higher education are huge already, and this new requirement has the potential to add new costs that will eventually be passed on to our students in the form of tuition increases, which is another issue that is addressed quite well in other parts of the Higher Education Act. Our institutions are right to assist the Department with the creation of the rules, particularly through our representatives in EDUCAUSE. Thank you.

MR. KERRIGAN: Thank you. The next speaker, if he's ready, is Jon Allen.

MR. ALLEN: Good morning. I'm Jon Allen, Information Security Officer at Baylor University, that's a private Baptist institution, approximately 90 miles south of here. This morning, I would like to address Section 493, subheading (a)(29), (A) through (B) of the recently enacted Higher Education Act Amendments. Baylor University, like other institutions of higher education, takes a strong stand against copyright infringement. In the passing of the amendments to the Act, there is the potential for significant costs to universities and colleges. These costs include financial, staff, and reduction in research ability. The language of the bill appears to be flexible, and allow campuses to find solutions that best fit their environment from the technology and cost perspective. We need the regulations that follow to have this level of flexibility. The Act instructs in subheading (a)(29)(A) that the institution has developed plans to effectively combat the unauthorized distribution of copyrighted materials, including through the use of a variety of technology-based deterrents. The file sharing programs that are used today--I'm sorry. The file sharing programs that are used for copyright infringement are evolving quickly. As such, the regulations need to allow for campuses to be limber and flexible with their technology solutions. The bandwidth shaping and copyright material detection technologies used today could easily be obsolete in preventing infringement on the newer revised peer-to-peer networks. In addition, universities and colleges are the forerunners in research of peer-to-peer technologies for uses other than copyright infringement. These facts result in a conflict, and campuses cannot implement technology that would wholly bar the use of peer-to-peer technologies. In addition to having a legitimate need for peer-to-peer technologies, higher education institutions also operate high-speed local area and wide area networks. In many cases, it will require a combination of technologies to provide effective deterrents on these high-speed networks. We also anticipate that, with the adoption of more technology deterrents, that many peer-to-peer networks will evolve and begin to encrypt traffic on their networks. This change would leave the technology deterrents available today ineffective in preventing copyright infringement. Regulation of the technology solutions needs to allow flexibility to keep costs and the network--flexibility to keep the network reasonable, and allow the continued research and openness of higher education networks.

The second area I would like to address is the need for flexibility in the regulation (a)(29)(B), which states that, to the extent practical, other alternatives--offer alternatives to illegal downloading or peer-to-peer distribution of intellectual property. Students entering higher education campuses today have grown up with digital music. Many of them own few CDs and as a consumer have chosen their preference for accessing legal copyrighted digital content. While some higher education institutions have attempted to license content on behalf of these students, many have found the adoption low enough to not justify the significant expenditure. The students see little value in converting their digital libraries from their current provider, knowing that it is only available while they live on campus or while they attend the institutions. Furthermore, at least one of the leaders in this space of offering copyrighted digital content to universities has ceased

most of its operations, leaving campuses without a working solution. At Baylor University, we license a large amount of digital copyrighted material for campus use. The content has a primary use of educational purposes with limited entertainment value for the undergraduate students. I ask that you follow--that you allow for the regulation under this section to not require the licensing of a commercial content provider to meet compliance. In conclusion, I ask the complexity of the potential impact of the regulations on these areas be recognized, and sent for further cooperative analysis in the upcoming review committees. Thank you for your time.

MR. KERRIGAN: Thank you. Next person scheduled is Rachel Kincaid. If she's present at this time we can hear from her. And basically, we're getting ahead of schedule in terms of people signing up for specified timeframes. So, there will be a little bit of down time. If Rachel is not here, Matt Orem was scheduled shortly after 10:00.

MR. OREM: Good morning. I'm Matt Orem. I'm the Director for College Access Initiatives at the University of Texas system, Institute for Public School Initiatives. We're dedicated to improving the pipeline to college across the state of Texas. One of the, I guess, non-negotiated provisions in the Higher Education Opportunity Act calls for the development of a net price calculator to help increase awareness and transparency regarding college costs and available financial aid from all sources. I'm here today to let you know that the nine academic campuses in the University of Texas system have been offering this information to the public since 2003 through Texascollegemoney.org, a Web-based tool designed to use eight items of basic student and family information to calculate estimated financial aid award packages and net costs using institutional, state, and federal resources, and the institution's own awarding policies and practices. Based on this model, the National Association of State Land Grant Colleges and Universities, NASLGCU, and the American Association of State Colleges and Universities commissioned the UT system to build a net price calculator for their voluntary system of accountability. This program is rolling out presently. I believe there are about 299 institutions signed up right now for the VSA. Also, the UT system is under contract with the Texas Higher Education Coordinating Board to build a centralized net price calculator that any and all public/private two- and four-year colleges and universities in Texas can participate in as part of the statewide marketing of postsecondary education, College for All Texans. This program will be completed and begin testing at the end of this October.

A little more about the background of these programs. The three systems I mentioned have some differences. For instance, the Texas systems estimators run off a centralized system where the VSA will be based at the institutional level, but they all share two important principles: One, the programs are user-centered. This means questions, information, nomenclature, and the user interface are all designed with the end user in mind, students and families. We did all we could to use--to avoid the use of jargon, and more importantly, we display the bottom-line estimates of financial aid and net price, the whole enchilada. Second, following the first principle, the net price calculator is not and should not be used as a tool for institutional

recruitment, but it should instead be used to help increase institutional transparency and offer a real picture of the comparable net price across institutions. Our program support increasing institutional choices, and using public transparency about financial aid practices is a way to encourage students and families, especially those from low socioeconomic backgrounds or with little history of participation in higher education. The point is, of all these systems, that financial aid is available and college is possible. All the programs are designed to increase the number of students completing the FAFSA, encourage college enrollment, and help reverse the public perception that college is out of reach. In your packets, the blue packets, you'll find detailed information about each of these programs, and flowcharts with our algorithm used to calculate the expected family contribution, based on eight to ten items, quite a bit less than--I think there are thirty or so in the FAFSA forecaster. Our wish is that the Department look at these programs and not reinvent the wheel in developing the net price calculator. Thank you for your time and attention.

MR. KERRIGAN: Thank you. All right. Now, we have two more people who are scheduled to speak. One of them is on a conference call, and will presumably be ready to speak in a few minutes, five or ten minutes, or whatever, and then there's another person scheduled at 10:50 who may or may not want to go early, and after that, we have no one else scheduled at this point in time. So, we're waiting for two other speakers. If they both speak in the next several minutes, next couple time slots, then we would probably take a break. So, that's where we're at.

MR. KEPIC: I'm the 10:50.

MR. KERRIGAN: Yeah, Paul Kepill [ph.]?

MR. KEPIC: Kepic. Yes.

MR. KERRIGAN: Kepic. I'm sorry.

MR. KEPIC: Thank you for this opportunity to speak. My name is Paul Kepic. I am Campus President with Westwood College. We're a nationally accredited college, and we are approved for HLC regional accreditation candidacy. I just wanted to make a few comments. I applaud the efforts on the reauthorization act, and in looking at the disclosure section on retention rates and unemployment rates, I believe it is important that we consider how we measure those rates. It's really important on the retention side that we look at reasons that are outside of the control of school, such as when they join the military, death in family, serious illness. Those all need to be taken into consideration. And in addition, I think that the reporting period needs to account for students that take terms--a term off or two--that their reporting period be long enough for those students to come back into school and not count against the school's retention rates.

On the employment rates, as a career school, we have been focused on career education for a while, and we applaud the efforts on getting the employment rates. Again, we've learned many lessons and I think we'd love to share those with you from the Career College Association standpoint, as well. Part of what we've learned is it's very difficult, once the student graduates and they get employed to get the information back from the employer from the student on the employment. So, although I see in the documentation that a lot of this is survey-based, I'm just concerned as to how this gets implemented and how it affects public and private institutions as well.

Also, in looking at the Distance Education and Verification Act, the technology isn't quite there as to how you can verify that the student is actually the student when they log in. And although PIN methods may be a suggested method for implementation, I'm not sure that really accurately reflects that the student is indeed the student that is taking the exam or the course. So, I think we need to make sure that we give the accrediting bodies some flexibility as technology advances in that implementation.

And we already heard on copyright infringement. One thing from the career college side that I would like also to be considered is a lot of this has to deal with residential campuses, and I suggest that, in the implementation that we look at limiting it to residential campus locations and not schools that are primarily using the technology for classrooms.

And then lastly--and I know we're just in this reauthorization act, but I'd like to--I'd like for us to consider in looking forward that we really put some work into transfer of credits. It's an issue on our students in terms of acceptance of credits as they transfer to other institutions. It's an issue for me as a taxpayer as I watch my tax dollars fund grants and loan programs--federal grants and loan programs for courses that they've already taken when they transfer to another institution. Again, thank you for this opportunity.

MR. KERRIGAN: Could you spell your last name. We apparently got it—

MR. KEPIC: Sorry. K-E-P-I-C.

MR. KERRIGAN: All right, thank you. Thank you, again.

[Pause.]

MR. KERRIGAN: All right. We do have one other person who's going to be speaking shortly, but she is on a con call right now. I think what we'll do is we'll take a ten-minute break. If she's--we won't get started again until five after ten at the earliest. If she's ready to go at that point in time, we will have her speak at that point in time. If not, we'll have her speak whenever she's ready to speak. After which, we have no one else signed up. So, once we have her speak, we will take another break. So, if you wish to stretch your legs, you have at least ten minutes. We will not have her speak until at least five minutes after ten.

[Brief recess at 9:56 a.m.]

[On the record at 10:13 a.m.]

MR. KERRIGAN: All right. We will reconvene in about 30 seconds, and the next speaker is Rachel Kincaid. And when Rachel is finished, I think we have Richard Renshaw. And after those two speakers, to my knowledge, nobody else signed up, so we will hear right now from Rachel Kincaid.

MS. KINCAID: Thank you. Good morning. I'm Rachel Kincaid, Vice Chancellor of Governmental and Community Affairs at the University of New Orleans, and I'm here this morning from New Orleans to talk about the Education and Emergency Loan Program that was recently authorized in Section 864 of the Higher Education Act. The comments that I wanted to bring on behalf of all of New Orleans institutions, both public and private, as well as the Mississippi institutions that were affected by Hurricanes Katrina and Rita is the importance and need for this program, and how thankful we are for this program being included. One of the challenges that has faced the Gulf Coast area, and we hope will not be faced by the Texas institutions that were recently affected by the hurricanes, is the challenges between FEMA and the other agencies in trying to rebuild your institutions. I can say, for the University of New Orleans, we were the second largest institution in the state of Louisiana--public institution, and we're celebrating our 50th anniversary this year--and we're now probably fourth or fifth. Our enrollment, still three years later, is 30 percent less than what it was. We still have buildings on campus that have not been gutted and--three years later. And even though we were eligible for about \$80 million in FEMA recovery, I think we're now at \$7 million. So, the challenges that faced institutions as they are trying to rebuild--this program will help institutions by giving institutions direct loans--quickly help themselves. And I know if we'd had--if we would have had the opportunity to have this loan program early on, we probably would have self-financed some of the buildings that now we're still waiting on. So, those are my comments and we are grateful and thankful for this inclusion.

MR. KERRIGAN: Thank you. Okay. The next scheduled speaker is Richard Renshaw, and whenever he's ready we will hear from him.

MR. RENSHAW: Good morning. My name is Rick Renshaw, and I'm District Director of Financial Aid for the Dallas County Community College District. And my comments are rather informal this morning, but I will revise and extend and send those to you in written form a little bit later. The first thing I'd like to comment to you about is in Section 401 about Pell Grants. In looking at the--where the time limit has been set for Pell Grant for 18 hours--or 18 semesters or its equivalent, several comments--several questions have come up on that, you know, what the definition would be of the semester or its equivalent. It says here that only the amount or percent of time that the students are enrolled will count against that time limit. Does that mean semesters in which the student is receiving the Pell Grant or is it any semester? Those types of questions have come up to us and we need clarification on them. As a community college, we have much

different demographics than a university, and we have students stopping in and out. And so, the tracking of that is going to be a tremendous burden, so we really need some good clarification on that issue there.

Then the second area I want to bring to your attention is in Section 436 where the cohort default rate has been changed to 30 percent. And then, also, that the schools with the cohort default rate, 30 percent for two consecutive years, may have their eligibility revoked. Obviously, this is of great concern to community colleges because of our demographics and the average higher default rate for our students, and how that's going to be determined, if there's any ability in the rules to allow for schools to have small volumes to deal with that. I know of one community college that has just recently gone into the program. This year, they had two students go into default, set them at a 50 percent default rate. Those types of issues are things that we are very, very concerned about in the community college community. Another thing that came up this year, and our efforts to develop a good default management plan--longstanding guidance was that we could limit students to one annual loan limit over a course of a number of hours, or one annual loan limit for the first 30 hours. That guidance was reversed in the '07-'08 financial--FSA Handbook. So, essentially, that took a major tool from community colleges that have low--that were low-cost institutions. We're trying to encourage students not to borrow more than they need and to save that money as they feed onto a four-year institutions. And that took a major tool away from us in helping to control defaults. So, essentially, now, we basically advise students the best we can. And I understand that--how the regs are written and setting those limits to allow students to borrow, but I would hope that in the discussion of how we're going to deal with cohort default rates that we look at that guidance and what we can do as community colleges to help us with better default management plans.

A third area that I saw was in Section 442 where it defines community service to include disaster preparation and emergency services and those things. It says that we're to give priority to positions or employment to students participating in that, and that's a very flexible and ambiguous description there, and I think there's going to be a lot of questions about what is our responsibility in putting people in those positions. And I know particularly as a community college, we're frontline in training first responders, and that could impact us in how we decide in how we're going to appropriate our monies within our district, and so, some guidance there, I think, would be appropriate to us.

The last thing is I would like to just support the same comments that Mike Scott made earlier this morning on Section 472, where it allows that unsubsidized loans could go to dependent students whose parents do not support him or refuse to complete the FAFSA. This opens up a whole can of worms as far as how we guide students and how we deal with students in asking for dependency overrides and those issues. And particularly in community colleges, we deal so much with first generation students and the parents don't understand the responsibilities of helping their child with their education. We serve cultural communities that are very distrustful of government and are very reticent to provide information to help their students get aid. And so, all of these things put together--I think we're going to have a lot of questions in this area that are going to need to be clarified so that this is not abused. Thank you.

MR. KERRIGAN: All right. Thank you. At this time, we have no one else signed up. So, at this time, I guess we are on unofficial break. I'm not going to give any time span, because if someone does sign up in the next two or three minutes, they will speak at that point in time if they wish, but you don't have to feel like you're in church, I guess. If no one's speaking, feel free to converse with them amongst yourselves. Maybe you'll think of something you want to say. So, we will wait for the next person to speak.

[Brief recess.]

MR. KERRIGAN: We have a speaker who's signed up, and I apologize--I may mispronounce the name--Kathy Coghlan.

MS. COGHLAN: Good morning, my name is Cathy Coghlan. I'm the Assistant Director of Institutional Research here at TCU, and I'm also an adjunct faculty member from time to time.

CROWD: A little louder.

MS. COUGHLIN: Sure. And I'm speaking today from the perspective of a faculty member regarding the requirements for institutions to disclose textbook costs on course schedules. While I agree that textbook costs are a concern--and when I choose books for my courses, I do take that into consideration, although it cannot be a driving factor in decision-making for academic reasons--my concern is that students will put too much weight on the costs of textbooks when making academic course decisions, and this could eventually impinge on academic freedom. For example, if I'm teaching a course in Introductory Sociology and my textbooks are \$30 less than my colleagues textbooks, I see the potential for students to sign up for my class based upon that fact. That course becomes full, and then students who have to sign up for the course with more expensive textbooks are not going to be as happy. One of the solutions that could come from that, and having--for departments not having to deal with that kind of problem, would be to adopt a department-wide textbook for certain courses--intro courses and things--you know, courses that a lot of students take, and that becomes an issue of academic freedom. There are certain texts out there that I really wouldn't care to use and wouldn't want to use in teaching a particular course, and other faculty members feel the same way. So, I appreciate you taking that concern into consideration so that we don't over regulate these kinds of issues. Thank you.

MR. KERRIGAN: Thank you. Okay. No one else has signed up. Is there anyone else who wishes to make a presentation? If not, again, we will be on an informal break until such time as someone does sign up.

[Brief recess.]

MR. KERRIGAN: Okay. We're going to reconvene here. We have four individuals who have signed up to speak, and again, I apologize if I mispronounced anyone's name. We'll take them in this order unless they happen to come up in a different order, but we have Lynne Flacky [ph.], Amy Pitcher, Candice George, and Christyne Sterling.

MS. FLAHIVE: Good morning. My name is Lynne Flahive. I am currently on the faculty--it was close, don't worry. I'm on the faculty here at Texas Christian University in the Department of Communication, Sciences, and Disorders. I am also a past President of the Texas Speech Language Hearing Association as well as a past Executive Director of the National Student Speech Language Hearing Association. So, I'm here to evidently talk about speech language pathology as it relates to this federal law. So, I'm grateful we have an opportunity to talk to you, and we were told we would get about three to five minutes, so I'll be quick. Speech pathology is a major that requires a master's degree in order to go out and work in the professional community. That master's degree is part of the minimum requirements to gain your Certificate of Clinical Competence. And so, our students who elect to become speech language pathologists, and this also applies with our colleagues in audiology, are going to have to have a post-bachelor's degree. Most master's program throughout the United States--there are very few that are not two-year programs. And so, we are asking students to do six years of schooling, and are evidently going to assume large quantities of loans, especially students who choose a private university as their means of education. As a past President of the Texas Speech Language Hearing Association, I created a taskforce back in 2003 to study the shortage of speech language pathologists, specifically in the school setting. We know in ASHA, which is our national association--the American Speech Language Hearing Association knows that the Bureau of Labor Statistics estimates that from 2004 to 2014 we are going to need an additional 14,000 speech language pathologists. The primary practice area is the schools. 50 percent of all speech pathologists are employed in schools at a given time, and so we know that that's going to be a critical shortage area. The Texas State Association did a survey of all the school districts in our state, and what we know is that all school districts in the state of Texas, be they rural, urban, or suburban, have shortages of speech language pathologists, with the primary shortage being in the rural and the urban areas. And what we know is that we need to do something to help attract students so that they choose the public schools as their work setting. Based on the surveys that the Texas Speech Language Hearing Association did in association with ASHA, we know that providing loan forgiveness for students who choose to work in the public schools will have an impact, that those students will choose the public schools if, by having loan forgiveness attached to their employment, we're going to--which will help that shortage--which has--gets into our federal laws, especially as we look at individuals with disabilities who must be serviced in the schools. So, I'm going to do that. Several of my students are going to follow up with me. Those are the other three. So, I'll let them talk about those specific--also, part of this federal Higher Education Act is accreditation, and I just wanted to make public comments that ASHA, again, the American Speech

Language Hearing Association, does our accreditation in what--we feel that that's working well, that ASHA serves as a means to ensure that all students graduating from an accredited master's program are meeting similar standards do allow them to reach certification upon completion of the national examination. And so, we would just like to note that ASHA does service its purpose well in terms of accreditation. And then, another issue that I just wanted to talk on briefly is the issue of being--having speech language pathologists included in terms of teacher preparation. Again, going at the shortage issue, and we definitely are a shortage profession, what we know is that we're not always allowed to apply for programs, professional preparation funds, and we want to make sure that, again, in a shortage profession that impacts many people, that speech language pathologists would be allowed the opportunity to apply for teacher preparation grants--or, in this case, preparation for speech language pathologists. My comments. Thank you.

MR. KERRIGAN: Thank you.

MS. PITCHER: Hi, I'm Amy Pitcher, and I am currently a graduate student here in the Communication, Sciences, Disorders Program. And I also chose TCU as my undergraduate institution. That being said, I have accrued a significant amount of loans, and if I had the option to work in a school district over a children's hospital or that type of setting, I would choose the school district if my loans were going to be forgiven. And I know that several of my classmates would also choose that, because--we've also been given graduate assistanceships here, but it's not enough to cover the cost of tuition and housing and everything else because of our case loads and that stuff. So, like Ms. Flahive said, this is a two-year program, so I've been in school now going on my sixth year, so my sixth year of loan, and I have--I would greatly appreciate it--

[Laughter.]

MS. PITCHER: --if this would be an option for me to take. So, thank you.

MR. KERRIGAN: Thank you.

MS. GEORGE: Hello. I'm Candice George, and I am also a graduate student in the Communication, Sciences, Disorders Program, which is speech pathology, deaf education, and audiology--we don't have audiology here, but that would be encompassed in that part of it. I am a first-year graduate student. I also did my undergraduate here at TCU, a private school. Kind of what made me come to a private school for this as far as, like, loans and stuff like that--there is, like, a greater opportunity for me to do undergraduate clinic here at TCU, which is what attracted me to this school. It is more expensive, but I think it is a good quality of education. I come in as a graduate student with a lot more opportunities having done clinic and having participated in what I'm going to be doing in my chosen profession. And so, that's what attracted to me to here. Needless to say, both my parents are teachers, and so that doesn't go so well for a

private school for education. And so, they are also in the public school system. So, I've seen that--my mother does special education, elementary school, which I know is something that we would part of in servicing. So, I've seen that, and I've seen the need that she does. She works with a classroom of low-level autistic children. And so, I've seen--I've visited with them many times. I've visited with their speech pathologists many times and what they're working with that. So, I know the great need that there is there. My dad is a high school teacher, so--in a public school in an urban area. So, I also know that--I'm from a rural area, so I understand the need, the significant needs for those positions in that. And having that background, I--since I do know that, it is one of those things that would attract me to going back to a school system and just the experience that they've had there to be able to impact student lives. But with the loan forgiveness and being the opportunity for that--you know, they don't pay as well as some of the other places to go, and if you're considering trying to get out of debt before you're 50, it wouldn't be just the best option to go to, even though I know that there's an impact. The public schools service children starting their third birthday, so, you're seeing kids that aren't actually in school yet, and so there is a greater need for that. They cannot deny someone who needs services in the public school system. So, your load is varied. You're working with "swallowing" children, children with language disorders, you know, your typical "R" children. They're the ones that you think that--the ones that generally people think that we work with. And because of that, along with the preparation programs, we're going to need to have that--if we go into the public schools, to have that for our education as far as continuing education and making sure that we're up to date with that, because our field is so varied. There is a lot going on with that, and we need to be up to date to be able to provide those children with the best opportunities. And so, that--along with teachers that we would be included in helping to fund that special education. And also, I'd like to just continue to add that we really like ASHA as our governing body; that's our national kind of accreditation thing. It makes sure that each--the standards that we have to reach to be able to get our clinical competence is the same across all states so that we know whenever we--if we decide maybe not to stay in Texas--I'm from Texas, so, more than, likely, I'll stay in Texas, but I know there are a lot of other girls that--we have one in our program that's from Washington State. So, more than likely, she might go back to Washington State, but she--you know, she would be--knowing that graduating here and with ASHA standards that she has, when she goes back to her state that she would already meet the requirements to get her state certification to be able to practice there. So, she's not having to worry about, "If I move elsewhere, because of--you know, if I get married and my husband goes somewhere else, or if there's another opportunity for me to work in a school system elsewhere"--for her to go back to her family, that she'll be able to get that--to get that certification and start working immediately rather than trying to find out what she still needs and how to get all that together and it's just kind of a unifying body. It also helps with, like, our research and things like that. So, I appreciate that ASHA is there. And thank you for listening and I appreciate it.

MR. KERRIGAN: Thank you.

MS. STERLING: Hi, my name is Christyne Sterling, and I am also a graduate student here at TCU. I am on my second year, along with Amy. And I did choose to go to TCU for my undergrad. So, like the other two girls who have spoken, we all have a good amount of loans, or a good amount of education that we have paid for. And to have a little bit of help with that would be great. And I know there were a couple of us who have decided to possibly to go into the hospitals because we see more financial stability that way, but if we had the chance to get our loans forgiven by going into the school district, I know a majority of us would probably shift where we would like to continue working, or we would like to go. And so, getting money towards our education would really help, and would really help get more SLPs into--going into education and going into the school districts. Also, with what Candice was saying, with ASHA being our governing body, I will be moving around, and it is nice to know that I have a stable base. My education, once I get my certification, will be set and I will not have to jump through hoops whether I go to North Dakota or whether I go to Louisiana, or if I get a chance to stay here in Texas. So, it would be--it was very helpful to have ASHA there and handling all of our accreditation. And I believe that's it. Thank you.

MR. KERRIGAN: Thank you.

[Brief recess at 12:29.]

[On the record at 12:52.]

MR. KERRIGAN: Okay. We have another speaker, Camille Reinhardt.

MS. REINHARDT: Hi. I'm here representing ASHA, and I just wanted to say that, to become an SLP and to become certified, we have to go to school for six years, and you don't have a choice in the matter: You have to get your master's. And so, I really think that we need loan forgiveness if we work in an educational setting, just like teachers do, that we should qualify for loan forgiveness as well as them, because we're going into the educational field, we have to go for six years, and have six years' worth of loans by the time we're done. And I really need the forgiveness for that. And that's all. Thank you.

MR. KERRIGAN: Thank you very much. That's all the speakers we have scheduled up to this point in time. It's getting close to twenty minutes before noon, about twenty-two minutes before noon right now according to my watch. I think we will maybe officially break for lunch at maybe fifteen minutes to noon and come back at--officially at 1:15 to see what we have. So, our official lunch break will run from, then, quarter to twelve until 1:15. That should give everyone a chance to--who wants to come back, and to have adequate time. Thank you very much.

AFTERNOON SESSION

[1:22 p.m.]

MR. KERRIGAN: Not that it is of much interest, but for those who are interested, our session here is officially opened again after lunch. At this time, we have no one signed up for the afternoon session, so we will be waiting to see who does sign up. But we are officially open at this point in time for the rest of the hearing. Thank you.

[No testimony.]

MR. KERRIGAN: All right. The first hearing that we've held here will come to a close at this point in time, and I want to thank everybody for coming, and good luck.

[Whereupon, the public hearing concluded at 4:00 p.m.]