

Some Priorities for the Reauthorization of the Higher Education Act

*Based on analysis prepared by the Association of Public Land-Grant Universities
Council on Governmental Affairs*

First signed into law in 1965 by President Lyndon Johnson, the Higher Education Act (HEA) serves as the foundation upon which the relationship between the federal government and the nation's higher education system is based. Updated many times since its signing, the HEA is the statute that makes need-based federal grants and loans, including the Pell Grant, available to student and their families. The HEA is the law that makes need-based federal grants and loans, including the Pell Grant, available to student and their families.

Since 1965, the HEA has evolved to address a host of issues related to higher education. The current iteration of the HEA is divided into various sections that each address different areas of federal law and federally sponsored higher education programs but it should be noted that the federal financial aid system and the access to higher education it provides to millions of students annually, as stipulated in Title IV, is still the Act's fundamental purpose. The last HEA reauthorization was passed into law in the Post-9/11 GI Bill of 2008. Considering it has been over decade since the Higher Education Act was updated it is an update that is past due.

Some priorities for the Higher Education Community include:

Financial Aid

Pell Grants

Congress previously recognized that similar to other entitlement programs, simple adjustments for inflation should not require annual congressional action such as through appropriations.

- Make Congressional funding program mandatory-funded to provide certainty. For Award Year 2018-2019, only \$1,060 of the \$6,095 maximum award is through mandatory funding.
- Caution is important when opening up eligibility to funding for institutions and companies without careful vetting especially when offering nondegree programs.
 - o It is important to recognize that Pell is already available for short-term certificate programs of at least 15 weeks.

Student Aid Simplification

While there is a great need to make higher education more accessible to students of all backgrounds, the term "simplify" is often used to disguise cuts.

- Like many of our university colleagues, FIU is concerned with proposals to eliminate subsidized undergraduate Direct Loans, Supplemental Education Opportunity Grants (SEOG), and Graduate Plus loans.

- Congress should exercise caution when increasing flexibility and should utilize campus-aid programs while vetting the integrity of the programs.

Graduate Education Financial Aid

- There has been a trend of cuts to aid for graduate and professional students, Congress must work to reverse this.
 - Eliminations and changes made by Congress have made education for graduate and professional education much more expensive.
 - o One example of this is Congress eliminating in-school interest subsidy for graduate students, made graduate students pay higher interest rates than undergraduates, and made for higher origination fees on Federal Direct PLUS loans.
 - Extending Pell eligibility for graduate students that have not used up their lifetime eligibility during their undergraduate degree is one new proposal worth considering.
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Higher Education Transparency

The College Transparency Act (H.R. 1766 / S 800) is a much-needed fix that policymakers should include in the HEA reauthorization.

- We owe more robust data to our students given the fact that nearly 55 percent of those who earn a bachelor's degree attend more than one institution
 - When Congress reauthorized HEA in 2008, transparency initiatives were impacted when the act banned the Department of Education from gathering student-level data, which would allow for the government to produce comprehensive, aggregate information on graduates' employment outcomes, including salary, by institution and academic programs.
 - Currently, the data is vastly incomplete as it only includes recipients of Title IV – omitting 39 percent of students in postsecondary education, there are significant variations of outcomes between Title IV and non-Title IV recipients.
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Incentivize State Reinvestment into Public Higher Education

- In order to incentivize state funding in higher education the HEA reauthorization should incorporate federal and state partnerships.
 - Florida ranks 21st in state spending per student from 2008 – 2018.
 - The next HEA should incentivize partnerships between the state and federal government through simple, voluntary, & non-punitive approaches to investment.
 - Federal match is a concept that would create real benefits for states that choose to partner with the federal government.
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Accountability and Eligibility: Increase Protections for Students

Risk-Sharing and Accreditation

The current requirements for institutions to maintain access to Title IV are remarkably lenient, subject to manipulation, ineffectively enforced, and moving toward irrelevance.

- Title IV eligibility under its current rules is lost if its three-year cohort default rate (CDR) exceeds 30 percent for three successive years or if the three-year rate is greater than 40 percent in any one year.
- consistently high-achieving institutions should not go through the same burdensome and expensive process as low performing institutions.
 - o Accreditor resources should be focused where they are most needed and not unnecessarily expended on high-performers.
 - o Accreditors should use more outcomes data as part of their process.
 - o Shift the focus for accreditation to a more outcomes-based model.
- Differential accreditation operates on the core concept that an institution with a 90 percent graduation rate, a loan default rate of 3.5 percent, and no difficulties administering financial aid, does not need as much attention as an institution with a 30 percent graduation rate and a 24 percent default rate.
- regional and national institutional accrediting agencies should be required to use three broad categories of outcomes data (comprehensive graduation rates, financial sustainability measures, and employment outcomes) when assessing the accreditation status of institutions.

Protect Student Veterans and Servicemembers

The 90/10 rule within the Higher Education Act precludes for-profit colleges and universities from receiving more than 90 percent of their revenue from federal student aid.

- Congress must close the 90/10 loophole in the next HEA reauthorization.
- The 90/10 rule was developed to be a quality assurance indicator for an institution through its accountability to the free market.

Risk-Sharing

- Accountability should be a main priority of the HEA reauthorization but not at the expense of access.
 - There are several unintended consequences of risk-sharing proposals, Congress should identify and sift through proposals to select the best option.
 - Many of the proposals would force institutions to minimize “risk”, shifting admission policies to students who are the least likely to default or repay loans.
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Campus Safety & Security

The top priority of any institution is providing a safe learning and working environment for all members of the university community.

- The most successful legislation would set clear federal priorities and provide institutions with support and flexibility to meet such requirements with efforts that best fit their student and campus characteristics.
 - Institutions have brought caution to one-sized fits all approaches and measures sexual assault.
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Modernizing Higher Education

Congress should work hand and hand with the U.S. Department of Education to streamline higher education regulations while not losing the integrity of oversight.

Global Learning

Title VI International Education Programs

- Undergraduate and Graduate students receive opportunities to study foreign languages and vital regions outside of the United States.
- Title VI is vitally important to our nation from many components that include defense, diplomacy and commerce.
- FIU supports the Advancing International and Foreign Language Education Act when reauthorizing the HEA.
 - o The bill would also consolidate several currently authorized programs into two new and innovative programs designed to promote the use of technology to strengthen the capacity, coordination, delivery and outcomes of international education, and identify the incentives and partnerships required to internationalize business education.

Study Abroad

- Understanding the transformative impact of international education, FIU has a robust study abroad program.
- In order to fully support study abroad initiatives, the HEA reauthorization should include the Senator Paul Simon Study Abroad Program Act within the HEA reauthorization. This bill will create a study abroad program within the Department of Education.
 - o Only 1.5 percent of all U.S. students study abroad during their undergraduate college experience.