

## Higher Education Act (HEA) in a Nutshell

### Introduction

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 statute 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.

### Title IV: Federal Financial Aid Programs

Commonly referred to as "Title IV" programs because of their placement in the Act, the core financial aid programs—including the need-based grants like Pell and the federal student loan program—are found in this title of the HEA. This is the heart of the HEA.

- Pell Grant

The Pell Grant Program is the core need-based grant program provided by the federal government to approximately 8 – 10 million students every year. Most simply put, eligibility for the program is based on a student's/ family's need and the size of the grant is on a sliding scale. The Pell Grant forms the base of a financial aid "package" for students, which often includes other grants and loans, including those from state, institutional, and other sources. Pell goes to the students with the most need and is only available to undergraduate students.

The federal government awards approximately \$30 billion in Pell Grants annually.

- Federal Loans

Students and/or their parents are also eligible for federal loans. In many cases, Pell Grants are often coupled with loans as a "package" for students. There are several types of loans, including the following:

- Subsidized loans—There is no interest on these loans while a borrower is in school. Only undergraduate students are eligible. These loans have the most favorable terms for borrowers.
- Unsubsidized loans—Interest accrues while a borrower is in school and both undergraduate and graduate borrowers are eligible.

- PLUS loans—Both graduate and parent borrowers are eligible for these loans.
- Consolidation loans—Borrowers use consolidation loans to combine multiple loans into a single loan with one monthly payment.

The federal government distributes approximately \$100 billion in loans every year.

- Supplemental Education Opportunity Grant (SEOG) and Federal Work-Study Programs

Historically, the SEOG and Work-Study Programs have also provided funding to students in need. As the name suggests, the SEOG provides supplemental grant aid to students while the work-study program offers aid to students in exchange for a minimal amount of work. SEOG is awarded to the neediest of the needy students.

### **Other programs and titles in HEA**

Over time, the HEA has evolved to include programs that target certain groups of institutions and students, designed to address the unique needs of students from traditionally under-represented groups. For example, these include additional Title IV programs like TRIO and GEAR-UP, which are targeted at specific groups of underrepresented students to improve access to and success in higher education.

- **Title III and Title V**

Programs in Title III and Title V of the HEA are primarily designed to address the needs of students attending community colleges and minority-serving institutions, such as Historically Black Colleges and Universities (HBCU's) and Hispanic Serving Institutions (HSI's).

Title III programs are geared towards community colleges and HBCU's.

Title V programs were created for HSI's.

- **Titles II, VI, and VII**

The statute has also changed over time to include provisions that focus on specific areas of higher education.

For example, Title II was created to primarily address the issue of teacher education and teacher training. Title II funds a program designed to create partnerships between institutions of higher education and local educational entities as well as reporting requirements on colleges and universities that produce teachers.

Title VI of the HEA, on the other hand, supports programs designed to provide better international skills and awareness among students. With its wealth of international expertise, UW is one of the biggest recipients of Title VI funding in the country.

Title VII supports, among others, the only graduate education programs run by the Department of Education, the Graduate Assistance in Areas of National Need (GAANN) and Javits Fellowship programs.

### **Accountability and eligibility**

In order for students and institutions to participate in the various programs in the HEA, they both must meet a myriad of conditions and requirements. In general, the parameters of eligibility are contained in Titles I and IV of the Act. Institutions must meet scores of federal thresholds and requirements in order to participate in federal financial aid programs.

More broadly, the accountability system in the HEA is built on what is commonly known as the “triad”: federal requirements, state rules and regulations, and accreditation. In addition to meeting federal standards, institutions must also be approved by states to offer programs before they can participate in federal programs. States can place requirements on institutions as they see fit.

The third leg of the triad is accreditation. A self-regulated quality control process, accreditation is unique to the American higher education system. Institutions are accredited by voluntary and non-governmental accrediting agencies whose missions are to improve and regulate the quality of institutions and programs. Institutions must be accredited by agencies recognized by the Department in order to participate in federal aid programs. The accreditation process is viewed by many as the most opaque portion of the quality control process.

Accreditation is one of the very unique characteristics of American higher education.

### **“Clery Act” and Title IX of the 1972 Civil Rights Act**

Even though the HEA is the foundational law that defines the relationship between the federal government and institutions of higher education, it does not exist in a vacuum. It is important to keep in mind that colleges and universities, like other entities, are governed by a myriad of other statutes, regulations, and rules. For example, tremendous amounts of energy, time, and attention have been focused recently on campus crime, especially on sexual assaults on campus. A section of the HEA, in Title IV, deals with institutional requirements with respect to campus crime. This section is known as the “Clery Act,” named after a student who was raped and killed on a college campus, and is an example of a set of eligibility requirements that an institution must meet.

This section of the law addresses a host of issues related to campus crime, including how different kinds of crimes must be addressed by institutions. Much confusion has arisen as a result of the sometimes-incongruent definitions between different federal rules and regulation as well as lack of clear guidance from the Education Department.

And in some instances, Clery terminologies and definitions do not match those used at the local or state level.

The inconsistencies and incongruence are further exacerbated by the interplay between Clery and Title IX of the Civil Rights Act of 1972, the title that tackles gender discrimination. When gender-related violations or alleged violations occur at institutions, federal Title IX investigations are launched. While the most high-profile Title IX investigations in recent times have occurred in the context of sexual assault, institutions are subject to the other Title IX inquiries for other violations, such as those related to gender inequalities in intercollegiate athletics.

The Clery Act and Title IX requirements do not always overlap, which can make even the best-intentioned and –resourced institutions appear intentionally insensitive and uncaring.

### **Summary**

While the HEA is vastly more complex and nuanced than what is described above, this document is designed to serve as a basic primer on its most major provisions and some of the major issues currently at play.