

**Promoting Real Opportunity, Success, & Prosperity through Education Reform
(PROSPER) Act –
House Higher Education Act Highlights**

Committee Priorities:

The Committee on Education and the Workforce of the U.S. House of Representatives released a draft bill on the Higher Education Act (HEA) reauthorization. With the last reauthorization dating back to 2008, the next HEA bill is intended to:

- Promote innovation, access, and completion;
- Simplify & improve student aid;
- Empower students & families to make informed decisions; and
- Ensure strong accountability & a limited federal role.

This summary highlights the initial points of the draft House bill. A Senate companion bill is expected to be released early in 2018.

Financial Aid: (AT FIU: 2016-2017: Grants: \$134M; Loans: \$291M; Scholarships: \$48M)

- Streamline all funding to a “1 Grant” (Pell); 1 Loan; 1 Work Study
- **Pell Grant: AT FIU: 22,399 Students \$87,474,739**
 - Increases Pell grant; and provides a bonus (\$300 per semester) to students who take 15 credits a semester.
AT FIU: 2,652 or 14% of total Pell Recipients take 15 credits; most cannot take 15 because of cost
 - Ability to use Pell for shorter-term programs that will assist them in entering the workforce more quickly.
 - Reauthorization of Pell Grants lasts through 2024.
 - Eliminates SEOG (For Pell eligible students) – **AT FIU: 2,743 Students \$1,873,182**
 - Academic Competitiveness Grant
- **Loans:** Elimination of loan programs will force students into the higher-cost, private market
An undergraduate student who borrows \$19,000 over four years and makes all payments on time would see a 44 percent increase in the cost of the loan. A student who attends for five years and borrows \$23,000 would see a 56 percent increase.
 - Eliminates in-school interest subsidy.
AT FIU: Subsidized loans – 16,089 Students \$70,900,834
 - Student loan programs to be combined;
 - a cap imposed on the total interest that can be accrued on a loan;
 - eliminates loan origination fees.
 - Public Service Loan Forgiveness (PSLF) programs would end but current participants would be grandfathered and covered.
 - Repayment options to be limited to one 10-year repayment plan & one income-based repayment (IBR) plan. (Currently 10%)
 - Reduces available loan funds for graduate students.
AT FIU: 4,802 / 120M + Law 393M Med 368M
 - Eliminates:
 - Grad Plus – **AT FIU: 2,973 Students \$39,357,629**
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 - Leveraging Educational Assistance Partnership (LEAP)
- *Work-Study:* **AT FIU: 491 students \$2,220,352**

- Eliminates graduate students from the program.
- Provides institutions with the increased flexibility to allocate funds from the federal work-study account to expand apprenticeship opportunities.
- Would receive additional resources.
- Adds up to \$150 million for institutions that have “strong” Pell Grant recipient completion rates.
- A requirement limiting the amount of participation at non-campus private businesses to 25 percent of funding would be removed.
- Disbursing grant and loan aid to students on a weekly or monthly basis.
- Streamlining the FAFSA application using technology.
- Financial aid counseling required for all financial aid recipients; in the pre, during & post stages of academic career.

Other Financial Considerations for Florida and FIU

- FL has not increased tuition in 6 years.

Apprenticeships/Competency Based Education:

- Allows for students to more readily define their own pace by taking competency-based education tests that can be translated to credits.
- Expanding industry-led earn-and-learn programs: allows institutions to use more resources to locate and develop work-based learning jobs for students that align with the students’ career goals.
- Creates the Apprenticeship Grant Program, with grant caps of \$1.5 million & require a 50% match.
- Allows institutions to use institutional aid to develop and implement career-specific programs.
- Competency-based education programs would be encouraged with a path established for federal student aid eligibility.

Online Education:

- Would ease requirements for online programs to only require authorization in the state where the institution has its primary physical presence.

Data/Accountability:

- Data dashboard to track average debt and average salary only for students receiving aid 5 and 10 years after graduation. (30% of students do not receive financial aid)

Risk Sharing / “Skin in the Game” Provisions

- Require institutions to return Title IV program funds upon a student’s withdrawal.
 - Includes a sliding scale of percentages for withdrawn student completion and percentages of responsibility of the institution to return the Title IV funds.
- Institutions to repay student loan defaults under certain circumstances.
- Repaying unearned aid when a student withdraws from an institution is shifted on to the institution.

Institutional:

- The House bill would adopt a single definition of “institution of higher education,” eliminating for most purposes the distinctions between public and private nonprofit institutions and proprietary institutions.

- Bill would require calculation and reporting of a loan repayment rate (LRR) at the individual program level, with programs losing Title IV eligibility if they fail to meet the LRR benchmark for three consecutive years. Doing away with the cohort default rate (CDR).
- Eliminates the 90/10 rule which, prohibits institutions from receiving more than 90 percent of their revenues from federal aid.
- Requires HSIs to have a 25% completion rate to qualify for Title V grants.
- Allows new providers of higher education to collaborate with traditional colleges and universities to offer educational programs to students that are eligible for student aid.

Grants:

- TRIO authorized level of \$900 million (\$50 million below current appropriation).
- Reforms TRIO programs through new criteria of awarding funds to evaluate effectiveness. (Not specified at the current moment)

International Education/Title VI:

- Maintains: National Resource Centers, Foreign Language and Area Studies Fellowships, Language Resource Centers, International Studies and Research, and Centers for International Business Education and Research.
- Eliminates: Undergraduate International Studies and Foreign Languages grant programs, and the American Overseas Research Centers.
- Incorporates language requiring grants to reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs.”

Accreditation/Regulations:

- Would roll back and prohibit gainful employment and state authorization regulations.
- Accreditation standards to be streamlined and focused on student outcomes.
- Reauthorize the National Advisory Committee on Institutional Quality and Integrity (NACIQI), the entity within the Department that reviews and recommends accreditors for Department recognition.

Campus Safety

- Encourages higher education institutions to more clearly define what hazing consists of and punishment for groups that engage in the practice and to be more willing to allow law enforcement to investigate suspected crimes.
- Insists that the Sec. of Ed. partner with the Sec. of HHS to provide best practices for addressing and preventing substance abuse on campuses.

Title II - Teacher Training Programs

- Ensure an adequate pipeline of professional educators
- The PROSPER Act’s elimination of the entirety of Title II of the Higher Education Act, programs which help build a pipeline of teachers prepared to educate our nation’s next generation.

Department of Education:

- Repealing unnecessary reporting requirements that don’t yield useful information.
- Outlining specific procedures, the Secretary of Education must follow when issuing federal regulations and limiting and repealing authorities to the DOE.