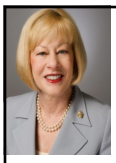

Washington Potpourri: A Whirlwind Tour of Legislative and Department of Education Activities

Presented at the

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Congressional Update

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2

President Signs Tax Reform Package Into Law

- On 12/22/2017, H.R. 1, the *Tax Cuts and Jobs Act,* was signed into law by President Trump (P.L. 115-97). As related to higher education, H.R. 1:
  - Maintains the American Opportunity Tax Credit, the Lifetime Learning Tax Credit, and the Hope Scholarship Tax Credit;
  - Excludes from taxable income student debt that has been forgiven as a result of death or total and permanent disability;
  - Imposes an excise tax of 1.4 percent on the net investment income of private colleges' endowments. The tax would cover those private colleges and universities that have at least 500 students, in which at least 50 percent of those students are located in the United States, and that have assets of at least $500,000 per student;

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3

President Signs Tax Reform Package Into Law
(Cont'd)

- Expands the use of 529 plans to allow tax-free withdrawals (up to $10,000 per beneficiary per year) to cover tuition at public or private elementary and secondary schools;
- Maintains the deduction for interest on student loans;
- Retains the deduction for tuition and other related expenses;
- Maintains the exclusion for interest on U.S. savings bonds used for higher education expenses; and
- Maintains the exclusion of employer-provided educational assistance programs.

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4

President Trump Signs GI Bill Expansion Into Law

- On 8/16/2017, President Trump signed into law, H.R. 3218, *the Harry W. Comery Veterans Education Assistance Act ("Forever GI Bill)* (P.L. 115-48).
- P.L. 115-48 includes a range of benefits that veterans have long sought, such as eliminating the 15-year time limit to use the GI Bill benefits and restoring the GI Bill educational benefits of student veterans who were affected by the closures of Corinthian Colleges and ITT Tech.

See: https://www.veterans.senate.gov/imo/media/doc/07-17-17%20Final%20SVAC%20GI%20Bill%20One%20Pager.pdf.

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5

President Trump Expands Apprenticeships

- On 6/15/2017, President Trump signed an Executive Order to expand apprenticeships and effective workforce development programs.
- Implementing the Executive Order will cost $200 million to be funded out of current Department of Labor funds to fund many of the 6 million jobs currently open.
- The Secretary of Labor in consultation with the Secretaries of ED and Commerce should work together to propose regulations that promote the development of apprenticeship programs by third-parties.
  - Determine how qualified third parties may provide recognition to high quality apprenticeship programs; and
  - Establish guidelines that qualified third parties should follow to ensure that apprenticeship programs they recognize meet quality standards.

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President Trump Expands Apprenticeships (Cont'd)

- Third-parties may include trade and industry groups, companies, non-profit organizations, unions, and joint labor-management organizations.

See: https://www.whitehouse.gov/presidential-actions/3245/.

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7

Trump Signs *Omnibus Appropriations Bill for 2018* into Law

- On 3/23/2018, President Trump signed the *Consolidated Omnibus Appropriations Act of 2018* into law (P.L. 115-141). It includes many unexpected victories for student aid programs. The $1.3 trillion omnibus appropriations package provides discretionary funding for all federal agencies, including the Department of Education, through September 30, 2018. The following is a summary of the provisions included in the bill that affect higher education:
  - Overall ED Funding: The bill provides $70.9 billion in discretionary funding for the Department of Education, an increase of $3.9 billion above the FY 2017 level.

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Trump Signs *Omnibus Appropriations Bill for 2018* into Law (Cont'd)

- Pell Grants Program: The bill increases the maximum Pell Grant award to $6,095, an increase of $175. The bill also includes the Children of Fallen Heroes Scholarship Act, which automatically makes children of first responders who have died in the line of duty eligible for the maximum Pell Grant. Year-round Pell is continued.
- Campus-Based Programs: The bill provides $840 million, an increase of $107 million for the FSEOG program; and $1.1 billion, an increase of $140 million for the FWS program.
- Student Loan Servicing: The bill prevents the Department from moving forward with specific components of its Next Generation Financial Services Environment unless the solicitation requirements are modified to include certain elements to promote accountability, transparency, and

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Trump Signs *Omnibus Appropriations Bill for 2018* into Law (Cont'd)

competition. Specifically, the new procurement must provide for the participation of multiple student loan servicers.

- Public Service Loan Forgiveness (PSLF) Program: The bill modifies eligibility for the PSLF program, and makes student borrowers eligible for PSLF if they were enrolled in an ineligible repayment plan but they otherwise would have been eligible for PSLF if they were enrolled in an eligible repayment plan by making 120 otherwise qualifying payments under an extended or graduated repayment plan.
- Borrower Defense Claims Reporting: The report directs the Department to provide quarterly reports pursuant to the borrower default claims reporting instructions in Senate Report 115-150.

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Trump Signs *Omnibus Appropriations Bill for 2018* into Law (Cont'd)

- Sharing of Financial Data: The bill clarifies current law and allows for the continued sharing of financial aid data to scholarship-granting or tribal organizations to assist the applicant in apply for and/or receiving financial assistance.
- Cohort Default Rates: The bill allows the Secretary of Education to waive the cohort default rate provision in current law for an institution of higher education that offers an associate degree, is a public institution, and is located in an economically distressed county; and for an institution that is a public institution or tribal college or university whose fall enrolled was comprised of a majority of students who are Indian or Alaskan Natives.

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Trump Signs *Omnibus Appropriations Bill for 2018* into Law (Cont'd)

- While many Democrats felt very good about the bill, many Republicans criticized the bill for its bloated spending and rushed process. Some Democrats rejected the bill since it failed to include permanent protections for recipients of the Deferred Action for Childhood Arrivals (DACA) program.
- The bill did not include an amendment granting additional time beyond 6/12/2018 for ACICS institutions to make necessary changes to comply with their new accrediting agencies' standards and/or provide the accreditors with updated data confirming their compliance. However, as a result of a 3/23/2018 decision by the U.S. District Court for D.C. to remand the decision to withdraw the recognition of ACICS, the Secretary of Education restored ACICS' recognition until the Department reviews ACICS' 2016 petition for recognition as well as any additional evidence provided by ACICS.

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Trump Signs *Omnibus Appropriations Bill for 2018* into Law (Cont'd)

A copy of the bill text is found at: http://docs.house.gov/billsthisweek/20180319/BILLS-115SAHR1625-RCP115-66.pdf.

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13

Trump Administration Releases FY 2019 Budget Request

- On 2/12/2018, the Trump Administration released its FY 2019 budget request, which would affect the 2019-2020 award year, which proposed steep cuts to federal education funding. The White House budget proposal will not be approved or even be seriously considered but it represents similar positions held by the House Republicans since there are many similarities to the *PROSPER Act*.
- The proposal would affect the federal student aid program as follows:

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Trump Administration Releases FY 2019 Budget Request (Cont'd)

- Pell Grant Program: Funding would be available for a maximum Pell Grant award of $5,920 and Pell Grant eligibility would be expanded to include short-term programs that provide students with a credential, certification or license in an in-demand field "with sufficient guardrails in place to balance students' needs with protecting taxpayers' interests."
- FSEOG: Funding would be eliminated.
- FWS: Funding would be cut and eligibility for graduate students would be eliminated.
- Direct Loans: The subsidy for Direct Loans for undergraduate students would be eliminated.

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15

Trump Administration Releases FY 2019 Budget Request (Cont'd)

- Repayment Plans: The income-driven repayment (IDR) plans would be consolidated into a single plan with a monthly cap of 12.5 percent of the borrower's discretionary income and a 15-year repayment term for undergraduates, and a 30-year term for graduates. Remaining balances would be forgiven. The standard repayment plan would be eliminated. The budget proposes to auto-enroll severely delinquent borrowers in the IDR plan, institute a process for the borrower to consent to share income data for multiple years, and streamline ED's ability to verify applicants' income data held by the IRS.
- Public Service Loan Forgiveness (PSLF) Plan: The PSLF Plan would be eliminated.

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16

Trump Administration Releases FY 2019 Budget Request (Cont'd)

- Shared Accountability: The proposal calls for "shared accountability" between the federal government and the colleges and universities for repayment of federal student loans.
- Funding for FSA's "Next Generation Financial Services Environment:" The budget proposal would support new mobile phone engagement for all customer interactions.

See: Fact Sheet and Full Budget Request included in the Department of Education's announcement found at: https://www.ed.gov/news/press-releases/presidents-budget-expands-education-freedom-protects-vulnerable-students.

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Definition of Reauthorization, ri·á thor·iz·ā´ ·shon, *n.*

- 1. The act of making numerous, major changes and revisions to a federal program that take effect on different dates, under varying circumstances, which no one can understand, interpret, or implement in a timely fashion. 2. A nightmare or bad dream from which one cannot awaken. 3. The act of reconsidering one's career in financial aid.
- The last reauthorization was in 2008 with the enactment of the *Higher Education Opportunity Act*, which was set to expire on 9/30/2013, but was extended to allow Congress more time to work on it. The House Education Committee just passed its bill but it will likely take more than a year to wind its ways through Congress.

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House of Representatives

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Foxx Selected as Chairwoman of the House Committee on Education and the Workforce

- On 12/2/2016, Congresswoman Virginia Foxx (R-NC) was named Chairwoman of the House Committee on Education and the Workforce for the 115th Congress.
- Congressman Bobby Scott (D-VA) was re-elected as the Ranking Member of the House Committee.
- Congressman Brett Guthrie (R-KY) was elected as the Chairman of the Subcommittee on Higher Education and Workforce Development.
- At the first hearing on higher education out of six hearings held in the 115th Congress on higher education, Chairman Foxx identified her four principles in reauthorizing the HEA:
    - Empowering students and families to make informed decisions;

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Foxx Selected as Chairwoman of the House Committee on Education and the Workforce (Cont'd)

- Simplifying and improving student aid;
- Promoting access, innovation, and completion; and
- Providing strong accountability and a limited federal role.

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House Education Committee Approves Bill to Reauthorize the HEA

- On 12/13/2017, following a 13-hour markup, the *Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act*, a 590-page bill to amend the HEA, was approved by a vote of 23 to 17. The highlights include:
  - A single definition of "Institution of Higher Education" would be established, except proprietary schools and postsecondary vocational schools must have been in existence for 2 years and not eligible for Title III or Title V funds, putting proprietary schools on an equal footing with other institutions.
  - A new term is added in the HEA, "Competency-Based Education (CBE)," to include programs that measure academic progress through a student's mastery of competencies in terms of equivalent credit or clock hours:

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- CBE programs need to differentiate between knowledge that a student acquired prior to enrollment and knowledge gained because of the program;
- CBE programs that charge a "flat subscription fee" would be Title IV eligible as long as the accreditor approves the arrangement;
- The definition of "distance education" is removed [would be treated like brick-and-mortar programs]; and
- The definition of "correspondence education" is modified to emphasize that it involves "limited" interaction between an institution and its students with academic instruction by the faculty being "not regular and substantive."

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Regulations related to State authorization published on 10/29/2010 and 12/19/2016 would be repealed and each institution would be responsible for having evidence that it has the authority to operate in each State in which it maintains a physical presence.
- The following rules would be repealed: Definition of credit hour; gainful employment; and borrower defense to repayment.
- The College Dashboard website would replace the College Navigator website. Consumer information would be updated, including the Net-Price Calculator, to reflect new definitions, such as use of "full-time" rather than "first-time, full-time" students.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- A Pell Grant Bonus program of $300 for students taking a full-time load of 30 credits each academic year would be established.
- Programs that are at least 10 weeks in length with at least 300 clock hours, 8 semester hours, or 12 quarter hours would be eligible for Pell Grants.
- FSEOG would be eliminated.
- FWS would be limited to undergraduate students.
- FWS formula would be modified over the period 2019-2021 to be based on Pell Grants and undergraduate student need instead of base guarantee and fair share.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Borrower Defense to Repayment would permit a borrower to file a borrower defense to repayment claim in three situations:
  - A borrower or agency has obtained against an institution a non-default or favorable contested judgment based on State or Federal law;
  - An institution fails to perform its obligations under a contract; or
  - An institution or its representatives that engages directly in marketing recruitment or admission made a substantial misrepresentation that the borrower relied on to attend or continue attending the institution.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- A Federal ONE Loan program would replace the Federal Direct Loan program with four separate programs: Undergraduate; Graduate; Parent; and Consolidation.
  - There would be no origination fee charged to borrowers.
  - Subsidized and Grad PLUS Loan programs would be eliminated.
  - Loan amounts shall be made in substantially equal monthly or weekly installments except equal installments would not be required if there are uneven costs.
  - Interest rates would remain the same as for Direct Loans.
  - Loans limits would increase:
    1) Undergraduate dependent first year: $7,500; second year: $8,500; and remaining years: $9,500, with aggregate set at $39,000.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

2) Independent students first year: $11,500; second year: $12,500; and remaining years: $14,500, with aggregate set at $60,250.
3) Graduate or professional student: $28,500, with aggregate set at $150,000.
4) Parent borrowers: $12,500 per student, with aggregate set at $56,250 per student.
5) Increased loan limits would be established for medical doctors and certain medical professions.

- The bill would permit institutions to prorate or limit the amount of a loan in a program of study under the following conditions:

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

1) If the institution uses BLS salary information, it can reasonably demonstrate that debt levels are or would be excessive for a program;
2) Based on an enrollment status, if a student is enrolled part-time or enrolled for less than the period of enrollment for which the loan limit applies;
3) Based on the credential level the student would attain; or
4) Based on the year of the program.
5) Proration or limitation of loan amounts would have to apply to all students enrolled in the institution or program.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

6) Permits increasing any prorated amount up to statutory annual loan limits.
7) Permits reducing grants, loan, or work assistance based on a reduced cost of delivered instruction.

- Number of repayment plans would be reduced to two:

1) Standard repayment plan (up to 10 years); and
2) Income-based repayment plan (IBR) where the payments would be capped at 15% of discretionary income with the total amount owed equal to the principal and interest that would have been paid under a 10-year repayment plan (interest would not accrue).

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Number of deferments would be reduced to 8.
- Contains no forgiveness provisions based on public service or other employment-related conditions.

  1) It does retain cancellation provisions for death and disability as well as discharges for closed schools, false certification, identity theft, and failure to make refunds.
  2) Parent loans will continue to be cancelled if the student for whom the parent borrowed dies.

- Satisfactory Academic Progress would include reference to competency-based education and would clarify the maximum time frame for undergraduates as being 150%.
- Ability-to-Benefit would be permitted for admissions but student will have to satisfactorily complete 6 credits.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Programmatic Loan Repayment Rates would replace cohort default rates. Programs become ineligible if three-year repayment rate falls below 45%.
- Return of Title IV funds would be based on quarterly assessment of payment period rather than day-to-day determination.

  - 0% would be earned if the student withdraws before completing 0 to 24% of the payment period or period of enrollment; 25% would be earned if the student completed 25 to 49% of the payment period; 50% if the student completed 50 to 74% of the payment period; and 75% if the student completed 75 to 99% of the payment period.
  - A student would have to complete 100% in order to earn 100%.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- An institution may retain 10% of assessed charges as an administrative fee. [The institution would be responsible for returning all unearned aid, thus introducing the concept of risk-sharing where the institution takes on the full risk of student withdrawals up to 25% of their repayment period.]
- An institution is required to take attendance if required by State or accrediting agency.

- Institutional and Financial Assistance Information for Students would be amended to clarify the information to be provided, particularly with regard to the *Clery Act*.
- Financial aid counseling would be required annually.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Program Participation Agreement (PPA) would be amended to:
  - Allow for incentive payments based on: (1) the amount of the tuition generated from student enrollments to a third-party entity under certain conditions, such as the third-party servicer cannot be affiliated with the institution providing the payment; the third-party entity does not make compensation payments to its employees that would be prohibited if made by the institution; the set of services provided to the institution includes services in addition to student recruitment services and the institution does not pay the third-party entity solely or separately for student recruitment services; and any student recruitment information available to the third-party entity will not be used or shared; and (2) students

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

successfully completing their educational programs, to persons who were engaged in recruiting such students, but solely to the extent that such payments are obligated to be paid and are actually paid, only after each student has successfully completed his/her program and are paid only to employees of the institution or its parent company and not to any other person or outside entity;

- Clarify that the institution would need to obtain proof of authority to operate "within a State in which it maintains a physical location" rather than the authority to operate "within a State"; and
- Eliminate 90/10 requirement.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Program Integrity provisions would be modified:
  - Recognition criteria for accrediting agencies would be amended to:
    1) Require agencies that have distance education and competency-based education programs within their scope to demonstrate the ability to review and assess that mode of delivery;
    2) Repeal the requirement to assess 10 specific areas and instead to focus on success with respect to student learning and educational outcomes in relation to the school's mission, which may include different standards for different institutions or programs;

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

3) Establish different intervals for on-site inspections based on risk [shall not discriminate based on tax status];
4) Include as a substantive change contracts with a non-Title IV entity providing more than 25% of the program (current limit is 25%);
5) Require accreditors to post a summary and reason for any adverse action or probation; and to post a list of accredited institutions and their evaluation dates;
6) Require the review to include consumer information; and
7) Allow accreditors to establish risk-based or differentiated reviews for institutions with exceptional past performances.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Eligibility and Certification:
  - Determination of legally authorized is based on the State's laws without reference to Federal regulations.
  - Secretary shall determine whether an institution is financially responsible and is able to meet one of the following:

    1) Liabilities are backed by the full faith and credit of a State;
    2) Has a bond credit quality rating of investment grade or higher;

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

3) Has expendable net assets equal to not less than one-half of the annual potential liabilities of such institution to the Secretary, including loan obligations discharged and to students for refunds of institutional charges, as calculated by an independent CPA;
4) Establishes with the support of a financial statement audited by an independent CPA that the institution has sufficient resources to ensure against the precipitous closure of the institution; or
5) Has met criteria prescribed by the Secretary in regulation.

- Program review priority list would include institutions with 25% or more of programs with a loan repayment rate of less than 50%.

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

- Time frame established for program reviews to include:

  1) After the Department's review team conducts its visit, it must submit its initial report to the institution no later than 90 days after concluding the on-site visit; must respond substantively to an institution's response during a program review inquiry within 90 days; and must then provide a final program review report on the findings, along with any "accompanying enforcement actions," within 90 days of receiving the institution's written response to the draft final program review report; and

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House Education Committee Approves Bill to Reauthorize the HEA (Cont'd)

2) The entire program review process should conclude not later than 2 years after the initiation of the program review unless the Secretary determines that the review is sufficiently complex and cannot be concluded within the 2-year period.

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Prospects for Reauthorization in the House

- The *Wall Street Journal* said on 11/29/2017 that the House bill is aimed at both deregulating and laying the conditions for "shorter, faster pathways to the workforce."
- Chairwoman Foxx said that Committee Republicans advanced their bill to reauthorize the HEA in a partisan manner because Democrats were only interested in increasing federal funding on higher education. "Well there isn't any more money out there to spend."
- Democrats unanimously opposed the bill and criticized the House bill for repealing SEOG and other programs targeted for low-income students and failing to do more for students struggling with student debt. Ranking Member Scott said: "The Republican bill spends lots of money by expanding eligibility for federal dollars to low-quality and unregulated programs, and pays for that spending by slashing investments to students."

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Prospects for Reauthorization in the House
(Cont'd)

- Ranking Member Scott also said that what is not possible is: "a bipartisan bill that cuts federal student aid to send taxpayer dollars to corporate interests."
- On 2/5/2018, 35 higher education groups, civil rights organizations, and unions sent a letter to House leaders asserting that the *PROSPER Act* "exacerbates the increasing burden of student debt and continued inequality in higher education access and outcomes. It would make higher education less affordable, saddle students with greater debt, and push more students into loan default."

See: https://edtrust.org/press_release/letter-35-higher-education-organizations-regarding-prosper-act/.

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Prospects for Reauthorization in the House
(Cont'd)

- On 2/15/2018, led by ACE and 39 higher education associations, a letter was sent to Speaker of the House Paul Ryan (R-WI) and Minority Leader Nancy Pelosi (D-CA) outlining their concerns in the *PROSPER Act*. They requested a delay before any consideration of the bill takes place on the House floor so that substantive changes can be made since the bill lacks proper balance between deregulation and accountability.

See: https://www.nasfaa.org/uploads/documents/20180215_Letter_to-House-PROSPER-Act.pdf.

- On 3/15/2018, a coalition of 30 AGs sent a letter to Congress opposing the provision that would ban states from regulating student loan servicers.

See: https://ag.ny.gov/press-release/ny-ag-schneiderman-co-ag-coffman-lead-bipartisan-coalition-30-ags-urging-congress.

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Prospects for Reauthorization in the House
(Cont'd)

- On 3/15/2018, IG Kathleen Tighe sent a letter to Senator Lamar Alexander (R-TN), Senator Patty Murray (D-WA), Congresswoman Virginia Foxx (R-NC), and Congressman Bobby Scott (D-VA) transmitting OIG's concerns with regard to the *PROSPER Act* and Senator Alexander's White Paper on Higher Education Accountability as they proceed with the reauthorization of the HEA:
  - Congress should retain and strengthen the accountability measures of cohort default rates and 90/10;
  - Programs designed to provide training in a specific occupation should be held accountable;
  - Programmatic loan repayment measures would require massive data collection and school reporting, which would be nearly impossible to administer;

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Prospects for Reauthorization in the House
(Cont'd)

- Removing the definition of credit hour would result in schools no longer being held to a standard for the quantity and quality of education to justify the debt incurred; and
- Congress should mandate specific safeguards to address the security of student data.
- IG Tighe concluded: "The programs are large, complex, and rely on numerous entities to provide critical aid to millions of students to pursue quality postsecondary education and to secure successful and manageable repayment of student loan debt."

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Prospects for Reauthorization in the House
(Cont'd)

- On 2/6/2018, CBO released its cost analysis of H.R. 4508, which estimates $14.6 billion in savings due to changes in the loan and Pell Grant programs. The elimination of the Public Service Loan Forgiveness (PSLF) Program, elimination of subsidized loans for undergraduate students, and modifications of loan forgiveness options would generate the most savings. New costs include the creation of the Pell Grant Bonus Program for students enrolled in 15 credits per semester and the elimination of the origination fees.

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Senate

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Senator Alexander Remains as Chairman of the HELP Committee

- Senator Lamar Alexander (R-TN) remains as Chairman of the Health, Education, Labor and Pensions (HELP) Committee.
- Senator Patty Murray (D-WA) remains as Ranking Member of the HELP Committee.
- Senator Alexander's four principles in reauthorizing the HEA, which are student focused:
  - Simpler, more effective regulations that make college more affordable and easier for students to apply for financial aid and pay back student loans;
  - Reducing red tape so administrators can spend more time and money on students;
  - Making sure a degree is worth the time and money students spend to earn it; and
  - Helping colleges keep students safe on campus.

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Senator Alexander Remains as Chairman of the HELP Committee (Cont'd)

- Senate HELP Committee held 5 hearings on reauthorizing the HEA in the 115th Congress, but held 23 hearings in the last 4 ½ years:
  - 11/28/2017: Simplifying the FAFSA.
  - 1/18/2018: Simplifying financial aid and more transparency for students.
  - 1/25/2018: Access and innovation (i.e., CBE).
  - 1/30/2018: Accountability and risk to taxpayers.
  - 2/6/2018: College affordability.

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Senator Alexander Remains as Chairman of the HELP Committee (Cont'd)

- Senators Alexander and Murray, who offered a bipartisan approach to reforming K-12 education *(Every Student Succeeds Act)*, plan to introduce a Senate-version ready for debate and amendments in 5/2018. Chairman Alexander announced in 1/2018 that they will begin drafting an HEA bill in 2/2018. Items likely to be included in the Senate bill that they generally agree on include:
  - Simplifying Federal Student Aid: Chairman Alexander has repeatedly expressed support for reducing the items on the FAFSA. He had introduced a bill to reduce the more than 100 items on the FAFSA to 2 items. Now he's calling for a reduction in items from 108 to 15-25 items depending on how applicants respond to questions about their family and income. The House bill calls for FAFSA simplification.

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Senator Alexander Remains as Chairman of the HELP Committee (Cont'd)

- Access and Accountability: Democrats talk about the need for "guardrails" [new buzz word], to protect students and taxpayers. Late in 2017, Senators Chris Coons (D-DE) and Johnny Isakson (R-GA) introduced S. 2201, the *ASPIRE Act*, which would encourage institutions to enroll low-income students. The bill would impose a penalty on the bottom 5% of institutions based on percentages enrolled of first-time, full-time Pell Grant recipients. The funds from the penalty would be used to award institutions up to $2 million a year if they agree to try certain strategies to boost their graduation rates. Schools that do not improve would have to return money. The House bill relies largely on disclosures and a new bonus for Pell Grant-eligible students to increase college access and completion.

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Senator Alexander Remains as Chairman of the HELP Committee (Cont'd)

- Risk-Sharing: On 10/26/2017, Senator Jack Reed (D-RI) introduced S. 2028, the *Protect Student Borrowers Act* and on 12/14/2017, Senators Jeanne Shaheen (D-NH) and Orrin Hatch (R-UT) introduced S. 2231, the *Student Protection and Success Act*, both of which would create a new risk-sharing initiative that would hold colleges accountable for the rate at which their former students are defaulting on their student loans or successfully repaying their loans. Colleges would have to pay back a share of the student loans that their students are repaying and the funds would be allocated to help struggling borrowers. Alternatively, the House bill creates a new programmatic loan repayment rate whereby programs that do not meet certain metrics lose access to federal aid.

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Senator Alexander Remains as Chairman of the HELP Committee (Cont'd)

- Innovation: Colleges need to work more closely with nontraditional providers. There are experiments and proposals to work with nontraditional providers, but the Democrats want guardrails to protect students and taxpayers.
  - On 10/14/2015, ED launched the Educational Quality through Innovative Partnerships (EQUIP) pilot project to evaluate innovative programs offered through partnerships between colleges and universities and non-traditional providers. Third-party Quality Assurance Entity (QAE) must independently review and monitor quality of the program along with the institution's primary accrediting agency.

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Senator Alexander Releases White Paper on "Higher Education Accountability"

- On 2/1/2018, Chairman Lamar Alexander (R-TN) released a white paper on "Higher Education Accountability," which provides an overview of the federal accountability requirements under current law and seeks comments by 2/15/2018.
  - Goal: Update the federal accountability measures for institutions to ensure that students are receiving an education worth their time and money.
  - Modernize and simplify the federal requirements in the federal loan program by creating more effective accountability measures focused on repayment of student loans.
    - Cohort Default Rates: CDRs do not provide meaningful incentives for colleges to improve their default rates. Almost half of all borrowers are not making any payments on their student loans.

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Senator Alexander Releases White Paper on "Higher Education Accountability" (Cont'd)

- 90/10 Rule: Proponents argue that it is a market-based accountability test because it requires someone other than the federal government to be willing to pay for the program. But if the institution produces valuable outcomes for its students, including that students are able to graduate, get a job, and repay their loans, then concerns about the volume of taxpayer dollars as a percentage of revenue become less meaningful.
- Gainful Employment Rule: One of its shortcomings is that it does not apply to all programs. The GE rule was supposed to get rid of bad actors but Harvard's graduate program in theater failed the GE test in 2017. Much of the discussion is what standard to use as a manageable debt level for individuals.

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Senator Alexander Releases White Paper on "Higher Education Accountability" (Cont'd)

- The white paper concludes that the nation needs an educated workforce to advance in a global economy, but taxpayers cannot be expected to lend billions of dollars a year to students at programs that charge too much and do not provide the skills, education, or economic prospects necessary for borrowers to repay their loans.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles

- On 2/1/2018, the Senate Democratic Caucus released its Higher Education Act (HEA) Principles:
  - Affordability and Student Debt:
    - Reducing College Costs: The HEA reauthorization must focus on providing a path for students to graduate from college debt-free. Tuition-free community colleges or two years of postsecondary education are important for lowering the costs.
    - Pell Grants: The Pell Grant program must be strengthened to ensure a commitment to low-income students. Regular shortfalls and surpluses have put the program on an unstable footing.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- Debt Relief: The HEA must reduce the burden for borrowers on their private and federal loans. Borrowers should be able to refinance their student loans. Seniors, veterans, and others with disabilities should be afforded debt relief.
- Student Loan Repayment and Servicing: The process of repaying student loans is too complicated and poorly managed. Borrowers should have access to better information and a simpler process for enrolling in income-driven repayment plans.

  - Accountability and Transparency:
    - Outcomes and Data: The HEA reauthorization should include provisions that require more transparency in school performance, overturn outdated restrictions on student-level outcome data, and crack down on worst-performing and predatory schools.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- Continuous Quality Improvement:
  - ✓ Colleges with low student loan repayment rates and high default rates should be held accountable for their use of federal student loans, and colleges with poor access, persistence, or completion rates should be accountable for their use of grant aid.
  - ✓ The triad must be strengthened. In particular, accreditation must be improved to serve as an effective gatekeeper of federal dollars by holding low-performing institutions to high standards. "Accreditors must identify, collect, and analyze key data indicators on student achievement, avoid conflicts of interests and rigorously hold low-performing institutions to high standards."

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- For-Profit Colleges: In the wake of the closures of Corinthian Colleges and ITT Tech, extra scrutiny must be used for for-profit colleges to reduce their incentive to maximize profits over student success. "For profit colleges enroll just 9 percent of all students but receive 17 percent of student aid dollars and account for 35 percent of all loan defaults."

- Access and Success:
  - Serving Low-Income Students and Strengthening Campus-Based Aid: Colleges should be encouraged to enroll and graduate more low-income students. Colleges should be incentivized to improve student success, including persistence, completion, earnings, and placement.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- Closing College Pipeline Gaps: The HEA should address the high school graduation to college enrollment gap for low-income and first-generation college students by supporting strategies such as dual enrollment and early college high schools. The transfer process must be improved since untold numbers of students lose academic credit or drop out of higher education entirely.
- Historically Underrepresented Students: The HEA reauthorization should promote access and shared prosperity for group of students that have been historically underrepresented in higher education.
- Improving Teacher Preparation Programs: There continues to be a need to improve the diversity of the teaching force, reform teacher preparation programs, and address teacher shortages.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- Supporting Institutions: The HEA should continue to support students attending Minority Serving Institutions (MSIs).
- Today's Student: Financial aid policies and support services should serve a student population that is fundamentally different than those students during the last reauthorization.

- Protecting Student Safety and Rights:
  - Campus Sexual Assault: Every student deserves to be safe on campus and the HEA must include guidelines to prevent sexual violence.
  - LGBTQ Students: These students should not be subjected to bullying and harassment.

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Senate Democratic Caucus Releases its HEA Reauthorization Principles (Cont'd)

- Students with Disabilities: Students with all types of disabilities should have access to all materials and services provided by institutions of higher education.
- Hazing: The HEA should support transparency and a comprehensive agenda to support institutions who are struggling to address the issue of hazing.

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Prospects for Reauthorization in the Senate

- Chairman of the Senate HELP Committee Lamar Alexander (R-TN) stated after the Senate hearing on accountability on 1/30/2018 that a rewrite in the law could begin "in the next few weeks." Chairman Alexander has said that he planned to introduce and consider a bill in the Spring 2018.
- The differences between the Democrats and Republicans became evident during the Senate hearings on affordability and accountability:
  - Democrats called for more federal dollars for student aid and the Republicans question the merit of making greater federal investments in student aid. "The Bennett Hypothesis [was] named after former Secretary of Education Bill Bennett who said that increasing federal student aid leads to rising college costs."

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Prospects for Reauthorization in the Senate

  - As Dick Durbin (D-IL) wrote: "A Higher Education Act reauthorization must address risk for-profit colleges pose to students and taxpayers. For too long, weak accountability and poor oversight of schools and accreditors have made Congress and the federal government complicit in for-profit colleges exploitation of students and bilking of taxpayers. That must change."
  - The Republicans want to replace current accountability standards, and Democrats want to strengthen them.
- On the other hand, on 2/13/2018, Chairman Alexander and Ranking Member Patty Murray (D-WA) announced that they were seeking comments or suggestions for the Committee's consideration of the reauthorization of the HEA. Comments were due by 2/23/2018 at: HigherEducation2018@help.senate.gov.

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Prospects for Reauthorization in the Senate
(Cont'd)

- On 2/15/2018, Ranking Member Patty Murray asked current, former, and future students and their families to share their personal stories about what they think Congress should tackle when it comes to higher education. Comments were due by 2/23/2018 at: HigherEdStories2018@help.senate.gov.

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Bill to Prevent Garnishment of SS Benefits Introduced

- On 4/27/2017, 12 Senate Democrats introduced S. 959, the *Protection of Social Security Benefits Restoration Act*, which would prohibit the federal government from garnishing Social Security disability and retirement benefits of borrowers to pay outstanding federal debts, including student loans.
- Senator Ron Wyden (D-OR) said: "Americans work hard to earn Social Security and we cannot allow it to be stolen away by student debt."

See: https://www.finance.senate.gov/ranking-members-news/wyden-brown-senate-democrats-introduce-bill-to-stop-government-from-taking-away-social-security-benefits-to-pay-off-student-loans.

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Regulatory Update

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Regulatory Reform Agenda

- On 1/17/2017, the confirmation hearing held by Senate HELP Committee for Betsy DeVos erupted into a partisan debate, but she was confirmed as Secretary of Education on 2/7/2017.
  - Republicans applauded Mrs. DeVos' work to expand charter schools and school vouchers; and
  - Democrats criticized her for wanting to privatize public education.
- Executive Orders on Regulatory Review Released:
  - On 1/20/2017, Reince Priebus, former Assistant to the President and Chief of Staff, released a Memo to Heads of Agencies freezing regulations for 60 days.

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Regulatory Reform Agenda (Cont'd)

- On 2/24/2017, the President signed Executive Order 13777 to reduce regulatory burdens on the American people through regulatory reform and the Department established a task force to oversee the implementation of its regulatory reform initiatives.

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Regulatory Review Task Force Established

- On 4/25/2017, ED created a Regulatory Reform Task Force (RRTF) to review regulatory and sub-regulatory guidance throughout the Department and identify rules that:
  - Eliminate jobs or inhibit job creation;
  - Are outdated, unnecessary, or ineffective;
  - Impose costs that exceed benefits; and
  - Create a serious inconsistency or otherwise interfere with regulatory reform initiatives and policies.
- Public hearings held and public comments on postsecondary regulatory relief solicited:
  - September 26, 2017 – Salt Lake City Community College
  - October 4, 2017 – U.S. Department of Education

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Regulatory Review Task Force Established (Cont'd)

- Through a request for comments in the *Federal Register*, ED received 16,391 comments by the close of the comment period on 9/20/2017. Comments were received on a broad range of issues including financial aid regulations and Title IV guidance.
- As of 10/27/2017, out of 1,171 documents, OPE has identified 398 out-of-date guidance documents for withdrawal, which will be archived.
- See press release: https://www.ed.gov/news/press-releases/department-education-withdraws-outdated-subregulatory-guidance.
- See Status Report: https://www2.ed.gov/documents/press-releases/regulatory-reform-task-force-progress-report-2.pdf.

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First Year Under Secretary Betsy DeVos

- What has the Department of Education accomplished in 2017?
  - Regulatory Review Task Force eliminated out-of-date guidance;
  - Delayed enforcement of most of the GE rules and established neg reg sessions, which met with opposition from Senate and House Democrats and State Attorneys General;
  - Delayed enforcement of borrower defense to repayment rules (7/1/2019) and established neg reg sessions, which met with opposition from Senate and House Democrats and State Attorneys General;

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First Year Under Secretary Betsy DeVos (Cont'd)

- Withdrew guidance issued under Obama Administration regarding loan servicing standards because of a myriad of moving deadlines, changing requirements, and a lack of consistent objectives (4/11/2017), which met with opposition from Senate and House Democrats and State Attorneys General;
- Restored Pell Grant eligibility to students affected by school closures (11/17/2017);
- Implemented Year-Round Pell Grants beginning 2017-2018 (6/19/2017) resulting from *Consolidated Appropriations Act of FY 2017*;
- Forced suspension of IRS' DRT and attempted to ease burden in 2017-2018 award year (4/24/2017);

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First Year Under Secretary Betsy DeVos (Cont'd)

- Implemented IRS' DRT for 2018-2019 and enhanced the security and privacy of the sensitive personal data by encrypting/masking from student's/parent's view on IRS DRT website; FAFSA web pages; and Student Aid Report (SAR).
  - Institutional and state agency ISIRs will have IRS data; but
  - Applicants and parents will not be able to make corrections to the IRS DRT transferred items before or after submission; but
  - Institutions will continue to be able to make any necessary corrections.

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First Year Under Secretary Betsy DeVos (Cont'd)

- Retracted Title IX guidance from 4/4/2011 and announced that the "era of 'rule by letter' is over." ED plans to engage in rulemaking to seek input on Title IX responsibilities arising from sexual misconduct complaints and released "Revised Sexual Harassment Guidance" as interim guidance on 9/22/2017, which narrowed its investigations to allegations raised in the complaint and away from checking for evidence of systemic discrimination.

See: https://www2.ed.gov/about/offices/list/ocr/docs/qa-title-ix-201709.pdf.

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First Year Under Secretary Betsy DeVos (Cont'd)

- Announced a stronger approach to how FSA will enforce compliance, which will enhance its oversight responsibilities (8/31/2017).

See: https://www.ed.gov/news/press-releases/us-department-education-expands-focus-enforcement-and-consumer-protections-students-parents-and-borrowers.

- ED established an improved discharge process for borrower defense to repayment claims and settled 20% of the outstanding claims (12/20/2017).
- ED is working with the Departments of Labor and Commerce to expand access to apprenticeships because there is a need for a more skilled workforce.

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First Year Under Secretary Betsy DeVos (Cont'd)

- ED has taken steps to slim down its numbers of employees by offering buyouts, early retirement, and other incentives for dozens of federal employees.
- Changes in leadership at FSA have continued over the last year.
  - James Runcie served as the COO since 2011, but stepped down in 5/2017;
  - Runcie's deputy Matthew Sessa, stepped into the position;
  - Dr. Wayne Johnson became COO on 6/20/2017; and
  - Dr. Johnson stepped down on 1/25/2018, to lead the "Strategy and Transformation" unit to bring FSA into the 21st Century. James Manning, currently Acting Undersecretary of Education, serves as interim COO of FSA.

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First Year Under Secretary Betsy DeVos (Cont'd)

- Senator Elizabeth Warren (D-MA) and Congresswoman Katherine Clark (D-MA) released a report, "DeVos Watch, Year One: Failing America's Students." The report found that Secretary DeVos' first year in office has been a boon for for-profit colleges, student loan companies, and advocates of school privatization at the expense of America's K12 and college students."

See: https://www.warren.senate.gov/imo/media/doc/DeVos%20Report%202-26.pdf.

- What remains to be undone in the second year? Credit balances, state authorization and distance education, or do we wait for the reauthorization of the HEA?

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New Approach to Compliance

- On 8/31/2017, ED announced a stronger approach to how FSA will enforce compliance, which will enhance its oversight responsibilities, including "enforcement against bad actors, such as illegitimate debt relief organizations, schools defrauding students and institutions willfully ignoring their Clery responsibilities."
- Under Dr. A. Wayne Johnson, the new COO at FSA, FSA established an integrated system of complementary oversight functions to ensure compliance. Oversight begins with proactive risk management to identify and mitigate risks that pose a threat.
- A number of new executives were hired to lead the enforcement effort, including Dr. Julian Schmoke, Jr., who heads the FSA Student Aid Enforcement Unit.

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New Approach to Compliance (Cont'd)

- Chief Compliance Officer Robin Minor, along with almost 400 staff, will continue to monitor schools' compliance with Title IV laws and rules.
- The Interagency Task Force, which brought together a number of federal and state agencies (CFPB, FTC, SEC, Treasury, State attorneys general, etc.) to share information about proprietary schools, appears to have been disbanded.
- On 8/31/2017, ED terminated its contract with CFPB regarding sharing of information in connection with oversight of student loans because CFPB's actions have undermined the mission of serving students and borrowers. CFPB was not sharing complaints, which complicated the federal student loan process.

See: https://www.ed.gov/news/press-releases/us-department-education-expands-focus-enforcement-and-consumer-protections-students-parents-and-borrowers.

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Department of Education Initiatives

- On 11/29/2017, Dr. A. Wayne Johnson, COO for FSA, announced at the FSA Conference, the Department's blueprint for FSA's Next Generation (Next Gen) Financial Services Environment, which will modernize the technology and operational components that support federal student aid programs.
- Secretary of Education Betsy DeVos said: "Students and their families should be treated like the valued customers they are and should have access to the tools needed for success."
- The highlights of the planned improvements are:
  - Spring 2018 – FSA will launch its mobile platform to allow students and parents to complete and submit the FAFSA on a mobile device.

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Department of Education Initiatives (Cont'd)

- Fall 2018 – fafsa.gov will be integrated into StudentAid.gov, making it easier than ever to apply for financial aid directly from FSA's leading website. FAFSA applicants will be able to switch between mobile device and web while filling out the FAFSA.
- TBD – FSA eventually will consolidate all of its customer-facing websites into a single, user-friendly hub to complement the new mobile platform and give students, parents, and borrowers a seamless experience from application through repayment.

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Department of Education Initiatives (Cont'd)

- TBD - FSA plans to pilot a new federally issued prepaid cards for student aid disbursements. On 1/19/2018, FSA published a Pre-Solicitation Notice announcing it will be soliciting contractor support for an FSA Payment Card Program in late Spring 2018. Students would use the Payment Card, like a debit card, to purchase every day goods and services.
  - Five Democratic Senators sent a letter to Dr. Johnson asking for additional information on the proposed pilot program. "While we support efforts to improve the financial aid distribution process, we have serious concerns about your proposal given the poor track record of such cards in the past."

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Department of Education Initiatives (Cont'd)

A copy of the press release that includes the text of the letter is found at: https://www.blumenthal.senate.gov/newsroom/press/release/blumenthal-senators-press-eduction-departments-fsa-chief-for-details-on-student-loan-disbursement-prepaid-card-pilot-program.

- Ongoing – FSA is researching dozens of financial services organizations so that it can design and refine its strategy to develop and implement a new loan servicing platform to benefit borrowers by establishing a single repayment platform for borrowers.

A copy of the Department's new vision is found at: https://financialaidtoolkit.ed.gov/tk/announcement-detail.jsp?id=next-gen.

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Department of Education Initiatives (Cont'd)

- ED established an FSA Cybersecurity Compliance website to ensure data security and compliance with the GLBA, the PPA, and SAIG agreement.

See: https://ifap.ed.gov/eannouncements/Cyber.html.

See updated FAQs: https://ifap.ed.gov/eannouncements/CyberFAQ.pdf.

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Consumer and School Disclosures

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ED Releases Update to College Scorecard

- On 3/29/2018, ED released an update to the College Scorecard, which tracks institutional statistics, such as earnings and loan repayment rates, so that students and families can make informed decisions. This year's update allows student and families to make side-by-side comparisons with up to 10 colleges.
- The latest update makes changes to how it reports retention rates and separates data on race and ethnicity and college costs by two-year and four-year schools, making the data more comparable.

See: https://collegescorecard.ed.gov/.

- The categories of data available to students and families include:
  - Descriptors about the school;

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ED Releases Update to College Scorecard (Cont'd)

- Metrics on percentage of degrees awarded and programs offered by degree;
- Metrics on admissions, such as acceptance rates;
- Demographics and other details about the student body derived from IPEDS and NSLDS;
- Cost of attendance;
- Share of students receiving federal grants and loans;
- CDR and repayment rates by subgroup;
- Completion and retention rates; and
- Earnings: Average and median earnings, at 10 years after entering school, and share of former students earning over $25,000 (median wage of workers 25-34 with only a high school degree), at 6 years after entering school.

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FSA Posts Reports to FSA Data System

- The FSA Data Center is a centralized source for information related to the federal student aid programs including:
  - Student Aid Data: Application Volume; Title IV Program Volume; and more;
  - School Data: Closed School Reports; Clery Act Reports; Default Rates; Program Review Determinations; Composite Scores; GE Information; 90/10 ratios; School Fine Report; and more;
  - FFEL and Guaranty Agency Reports; and
  - Business Information.
- Quarterly, ED posts new reports on Direct Loan borrowers. On 4/6/2018, FSA released 6 new reports highlighting the characteristics of DL borrowers.

The FSA Data Center is found at: https://studentaid.ed.gov/sa/data-center.

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College Affordability and Transparency Center

- College Navigator: Students can search for and compare colleges on various criteria (i.e., admissions requirements; tuition and fees and average net price, majors, size of school, campus safety, accreditation information, cohort default rates, and graduation and retention rates).
- Net Price Calculator: Students can compare the individual net price at different institutions. Net price is: "The average yearly price actually charged to first-time, full-time (FTFT) under-graduate students receiving student aid at the institution."
- College Affordability and Transparency List: Students can review the information about tuition and net prices at postsecondary institutions. The site highlights high and low tuition and fees and high and low net prices (price of attendance minus grant and scholarship aid).

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College Affordability and Transparency Center
(Cont'd)

- 90/10: Provides list of for-profit institutions that receive more than 90% of revenues from student aid.
- State Spending Charts: Provides summary of information on changes to State appropriations for postsecondary institutions, State aid for students; and tuition and fees.

See: https://collegecost.ed.gov.

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Federal Financial Aid Shopping Sheet

- Required by Executive Order 13607, Establishing the Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and other Family Members, signed by President Obama on 4/27/2012, for prospective students who are eligible for Federal military and veterans educational benefits.
- Provides a standardized and concise format to help prospective students, specifically, veterans and service members, understand and compare their financial aid offers, which can serve as the award notice or as a supplement to award notice.
- 2018-2019 Financial Aid Shopping Sheet released on 10/25/2017.

See: https://collegecost.ed.gov/shopping_sheet.pdf.

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NCES Makes Changes to IPEDS

- The National Center for Educational Statistics (NCES) has made a number of changes to the Integrated Postsecondary Education Data System (IPEDS), which is used to measure student success rates. On 10/10/2017, an NCES blog posting announced additional information being collected from institutions.
  - The NCES blog posting indicated that in the past the success rates were based on traditional college students, that is, first-time, full-time degree- or certificate-seeking undergraduate students (FTFT), who generally enrolled right after high school. But many had argued that the FTFT graduation rate does not take into account part-time students and transfer students, groups that have outpaced traditional students.
  - The new IPEDS Outcome Measures survey adds three new student groups:

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NCES Makes Changes to IPEDS (Cont'd)

1) First-time, part-time students (FTPT), who attend less than full-time each term and who have no prior postsecondary attendance;
2) Non-first-time students, or transfer-in students, who are enrolled full-time (NFTFT); and
3) Non-first-time students, or transfer-in students, who are enrolled part-time (NFTPT).

- The NCES blog posting also indicated that beginning with the 2017-18 Outcome Measures collection, the survey will include more groups (i.e., Pell Grant v. Non-Pell Grant recipients); a third award status point (4 years after entry); and the identification of the type of award (i.e., certificates, Associate's, and Bachelor's).

See: https://nces.ed.gov/blogs/nces/.

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The End

Any questions?

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- Program Reviews and IG Audits
- Accreditation
- Mergers & Acquisitions
- Public Policy & Government Relations
- State Licensing
- Education Policy

Member:
- NASFAA
- CCA

Education:
- Ph.D., University of Maryland, 1976
- BA, State University of Buffalo, 1971, summa cum laude

Sharon H. Bob, Ph.D., Higher Education Specialist on Policy and Regulation, is a member of the Education Group at the Washington, D.C. law firm of Powers Pyles Sutter & Verville, P.C. Dr. Bob advises all sectors of higher education regarding strategic issues pertaining to their participation in the federal student financial assistance programs, accreditation, licensure, education tax benefits, and related regulatory matters.

Dr. Bob advises public and private colleges and universities, as well as private and publicly-traded companies. In this role, she provides clients with detailed technical guidance related to compliance with applicable statute and regulations. She regularly assists postsecondary educational institutions on issues relating to institutional eligibility, program eligibility, student eligibility, financial responsibility and administrative capability standards, changes of ownership, adding locations and programs, program reviews and compliance audits, and institutional responsibilities for the education tax benefits. Through training seminars and on-site reviews, she assists clients in complying with the federal requirements for administering federal student financial assistance. Dr. Bob has authored numerous articles on federal financial aid issues for *The Greentree Gazette*, *NASFAA's Journal of Student Financial Aid*, *NASFAA's Student Aid Transcript*, the *Career College Link*, and other higher education publications and frequently speaks at meetings of college officials and student aid administrators.

Dr. Bob received her undergraduate degree *summa cum laude* from the State University of New York at Buffalo and was elected to *Phi Beta Kappa*. She received her doctorate from the University of Maryland.

Powers Pyles Sutter & Verville is a Washington, D.C.-based law firm that focuses on health care, education, and the law of tax-exempt organizations.

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