

HIGHER EDUCATION ACT RECOMMENDATIONS



HIGHER LEARNING ADVOCATES is working to shift federal policy from higher education to higher learning—education and training beyond high school that leads to a degree, credential, or employment. While more students are participating in higher education than ever before, there is a vast and growing disconnect between federal policy and the needs of today’s students, employers, and communities. Below are the critical improvements that are needed to remedy this disconnect and ensure our federal higher education programs work for the current and future generations.

REDESIGN FEDERAL FINANCIAL AID PROGRAMS AND POLICIES TO WORK BETTER FOR TODAY’S STUDENTS AND THEIR REALITIES.

- **Reset Satisfactory Academic Progress (SAP)**—the minimum academic requirements necessary to continue receiving federal student aid—for students who have not been enrolled in any postsecondary education in the prior five years. Adult students who may have struggled when they first enrolled in college can be denied access to federal aid—this reset would allow them to work toward completing their postsecondary education.
- **Reset the Pell Lifetime Eligibility Usage (LEU)** for students who have reached the maximum grant amount, hold a degree or credential, and have been employed in the workforce for the majority of the past ten years. Adult students who need to restart their postsecondary studies but have exhausted their Pell eligibility would be able to earn the credential or degree they need to succeed in the workforce.
- **Amend the Expected Family Contribution (EFC)**—the calculation used to determine a student or family’s own contribution to paying for college—to allow more accurate exemptions for independent students and student parents. In addition, certain assets of independent students should not be included in EFC calculations, such as assets in 529 plans when students are also saving for their dependent’s college education. This would level the playing field for independent students who often have to support families of their own while paying for college.
- **Improve the FAFSA income verification process**—especially for the lowest-income Pell-eligible students. Specifically, improve how the IRS supplies tax return information that can be used to verify students’ financial information. This would ensure that the verification process doesn’t deny needy students the aid they need to attend college.
- **Reduce complexity in loan repayment** by allowing borrowers to choose between Income-Driven Repayment (IDR) or the standard repayment plan; if a borrower does not elect a repayment plan, they would be auto-enrolled into an IDR plan with the option to opt-into standard repayment at any time. This would ensure the maximum number of students are enrolled in a more manageable program that bases their loan payments on their income.

- **Allow borrowers to rehab defaulted student loans twice**, under the same process and terms already set forth in statute. Loan rehabilitation

allows today's students to get back into good standing on their loans and erases the default from their credit report.

EXPAND FUNDING TO BETTER SERVE STUDENT PARENTS SO THEY CAN WORK TOWARD COMPLETING THEIR POSTSECONDARY DEGREE OR CREDENTIAL.

- **Incentivize institutions to offer emergency child care** by allowing institutions to set aside a portion of funds under the Supplemental Education Opportunity Grant (SEOG) program to form relationships to provide care for children of student parents through local child care providers. Also, amend the Strengthening Institutions Program (SIP) to allow such

partnerships with child care providers as an allowable use of funds.

- **Increase the Child Care Access Means Parents in School Program (CCAMPIS)** funding to reach \$150 million annually, in order to provide child care support to student parents with children ages 0-5 who are eligible for the Pell grant.

PROVIDE ROBUST SUPPORT FOR TODAY'S STUDENTS TO ENSURE AND ACCELERATE PERSISTENCE AND COMPLETION.

- **Increase funding for the Open Textbooks Pilot program** at the Department of Education (ED) to help institutions develop and utilize open educational resources so students can better access educational materials needed to succeed in postsecondary education.
- **Create a more seamless connection between FAFSA and SNAP**—and other federal benefit programs—to benefit students enrolled in postsecondary institutions who may experience low food security. If a student's Expected Family Contribution on the FAFSA is zero, then

the student should be notified that they may be eligible for SNAP benefits and provided information about enrolling in the SNAP program.

- **Allow institutions to use existing funds for micro-grants** by revising existing programs such as Title III, Part A, or the Supplemental Educational Opportunity Grant (SEOG) program for existing resources that may be allocated toward micro-grants to allow institutions to provide micro-grants of \$2,000 or less to students who are at least three-quarters progressed through their program of study.

ENSURE FEDERAL POLICY REFLECTS THE EXPERIENCES OF TODAY'S STUDENTS WHO FOLLOW A NUMBER OF VARIED PATHWAYS INTO AND THROUGH THE AMERICAN SYSTEM OF POSTSECONDARY EDUCATION.

- **Create a new multiple pathways demonstration program** to certify quality and expand access and the use of federal student aid for multiple pathways of learning, including programs that are not currently eligible for federal aid.
- **Create a new competency-based demonstrations program** to certify quality and

enable competency-based education programs to scale not be tied to the credit hour.

- **Allow the Pell Grant to be used for high-quality, short-term programs** by amending HEA to provide Pell dollars for high-quality programs that are more than 300 hours and lead to an industry-recognized postsecondary credential.

CREATE A MORE TRANSPARENT, AGILE AND RESPONSIVE ACCREDITATION SYSTEM FOCUSED ON STUDENT OUTCOMES.

- **Allow accreditors to prioritize student outcomes** over institutional compliance to encourage a greater focus on student outcomes such as graduation rates, default rates and loan repayment rates.
- **Raise the bar for student outcomes** by allowing the National Advisory Committee on Institutional Quality and Integrity (NACIQI) to establish an independent commission of experts to advise NACIQI and develop minimum thresholds of success for key student outcomes.
- **Enable accreditors to use a differentiated accreditation model** to spend less time assessing institutions with long and demonstrated track records of high-quality outcomes and more time helping institutions with moderate or poor outcomes improve.
- **Require accreditors to be more transparent** by posting standards, reports, information on students' outcome, and criteria that triggers sanctions, via an easily accessible online site, to increase transparency in the accreditation process.
- **Allow accreditors to waive or expedite substantive change requirements** in certain instances to enable institutions to respond to local workforce needs more quickly, the credential is high-quality, and there is employer involvement.

ENHANCE PROGRAM- AND INSTITUTIONAL- ACCOUNTABILITY TO IMPROVE STUDENT OUTCOMES AND SUCCESS

- **Keep cohort default rates (CDR), but use them as a disclosure** to provide a useful snapshot of recent graduates' repayment at each institution.
- **Maintain floor-level accountability—such as the gainful employment rule**—to ensure low-performing programs cannot receive federal student aid if they engage in fraudulent practices or continuously produce poor-quality outcomes.
- **Use program-level cohort repayment rates (CRRs)** to determine program eligibility to participate in Title IV federal financial aid programs.

TODAY'S STUDENTS ARE

37%

OLDER THAN 25



64%

WORK WHILE IN COLLEGE



24%

PARENTING



49%

FINANCIALLY INDEPENDENT



31%

AT OR BELOW

FEDERAL
POVERTY
LINE

EMERGENCY COSTS



Early data from the University Innovation Alliance (UIA), a coalition of eleven public research universities, shows that about **4,000 Pell-eligible college seniors**, who are in good academic standing, are at risk of being dropped from their classes or not allowed to graduate because **less than \$1,000 is owed to their institutions.**

13%

LIVE ON CAMPUS



40%

PART-TIME



57%

ATTEND



**2-YEAR
Colleges**

STUDENT ENROLLMENT INCREASES

1996-2010:

↑ **11% WHITE**

↑ **240% HISPANIC**

↑ **72% BLACK**

VETERAN-STATUS

4% OF UNDERGRADS ARE VETERANS



but they face unique challenges, such as applying competencies learned in military service to civilian careers and academics.

COMPLETION

38% OF STUDENTS



with additional financial, work, and family obligations **leave school in their first year**