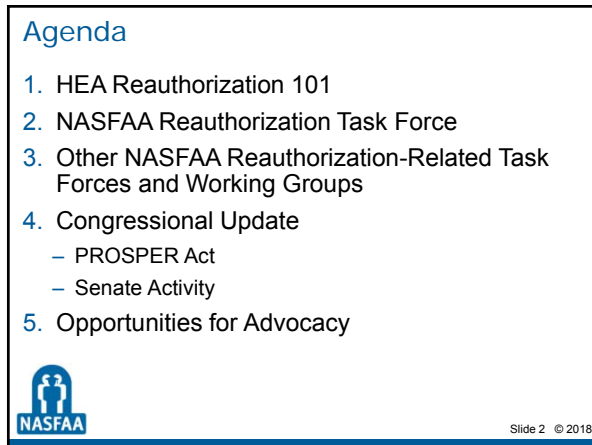


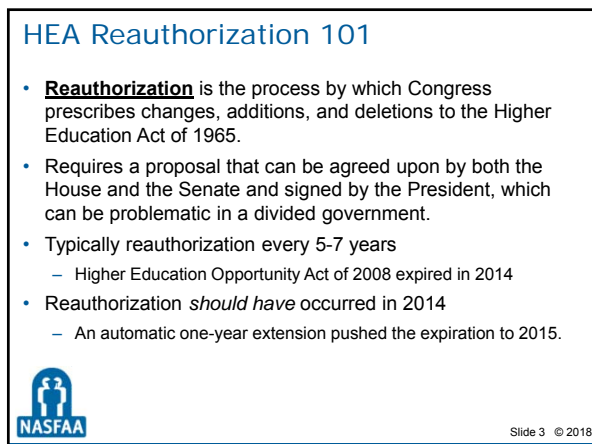


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Presented March, 2018





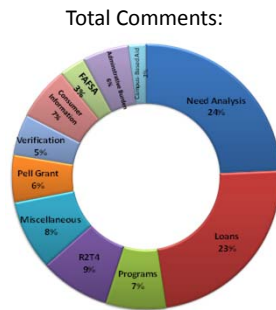




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NASFAA's Reauthorization Task Force

- Began work in January 2012
- Consisted of 17 members from all sectors and regions
- Forty listening sessions around the country



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NASFAA's Reauthorization Task Force

- Developed 60 comprehensive recommendations approved by the NASFAA Board
- Recommendations submitted to both the House and Senate Education Committees in the fall of 2013
- Document updated to include additional task force work in 2016:
nasfaa.org/uploads/documents/updated_rtf_report.pdf



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

- Public Service Loan Forgiveness Task Force
- Consumer Information Task Force
- Campus-Based Allocation Formula Task Force
- Innovative Learning Models Task Force
- FAFSA Simplification Working Group
- R2T4 Task Force
- Dynamic Loan Limits Working Group
- "One Grant, One Loan" Task Force
- Graduate/Professional Loan Limits Task Force



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Public Service Loan Forgiveness Task Force

- Report released in July 2014
- Key recommendations to strengthen the PSLF program
 - Forgiveness limits: 100% up to \$57,500 and 50% of remainder up to \$138,500 total forgiveness
 - Keep untaxed
 - Increase awareness
 - Make data public



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Consumer Information Task Force

- Report released in August 2014
- Key recommendations to improve consumer information
 - Eliminate annual notice and use College Navigator
 - Repeal student unit record ban
 - Examine usefulness of campus safety and fire safety reports, etc.
 - Eliminate non Title IV-related disclosures (e.g., Constitution Day, voter registration, etc.)
 - Exempt graduate programs from inapplicable requirements
 - Require consumer testing for all new consumer information requirements



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Campus-Based Allocation Formula Task Force

- Report released in August 2014
- Four recommendations to modify the campus-based aid allocation formula
 - Reconstruct income bands to more accurately reflect student need
 - Eliminate the base guarantee with phase-in protection
 - Restructure FSEOG fair share formula to be based on Pell funding received by institution with phase-in protection
 - Increase the assumed self-help for undergraduates in FWS and Perkins fair share formulas from 25% to 35% with phase-in protection



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Innovative Learning Models Task Force

- Report released in June 2015
- Makes a number of recommendations on the following topics
 - flexibility for students and instructors
 - accountability
 - cost of education and financial aid
 - complexity of regulations
 - barriers to innovation



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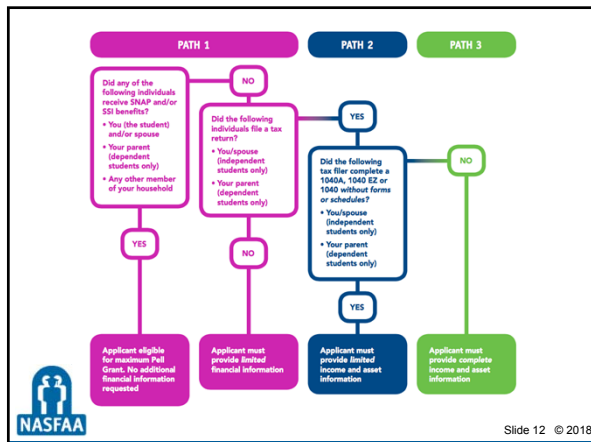
Other NASFAA Reauthorization-Related Task Forces and Working Groups

FAFSA Simplification Working Group

- Report released in July 2015
- Makes three key recommendations
 - Use prior-year income data to determine student aid eligibility.
 - Expand the IRS Data Retrieval Tool (DRT) to include all line items of the 1040 and W2 information.
 - Institute a three-level application process where, after answering demographic and dependency status questions, applicants would be steered down one of three paths based on their responses to screening questions.



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Return of Title IV Funds Task Force

- Report released in July 2015
- Suggests 3 alternative approaches:
 1. Eliminate the Return of Title IV funds requirement altogether;
 2. Wipe the R2T4 slate clean and start over to devise a new set of rules, or
 3. Fix the current process pending the elimination or refurbishment of R2T4.



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

Dynamic Loan Limits Working Group

- Report released in July 2016
- The working group put forward a white paper with the following components:
 1. School Authority to Limit Loans
 2. Loan Limits
 - Establishes one annual subsidized limit by eliminating differences based on year in school.
 - Increases annual and aggregate loan limits to a more realistic level.
 - Steps aggregate limits, so that a lower limit applies to undergraduate students who have not yet successfully completed the second year of an undergraduate program.
 3. Bonus Borrowing
 - The group proposes giving certain schools (exceptional performers) the ability to increase loan limits beyond the RTF recommended limits.



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

“One Grant, One Loan” Task Force

- Report released in August 2016
- The task force developed several considerations of a "one grant, one loan" system including the following, among others fully outlined in the report:
 - Will federal program consolidation truly make the financial aid process simpler for students and families, given the existence of other sources of financial aid?
 - Would some students be awarded less funding under a one grant model than under the current model?
 - Would there be a federal commitment to make up for that net loss in grant dollars?
 - Will more borrowers be pushed into the private loan market?



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Other NASFAA Reauthorization-Related Task Forces and Working Groups

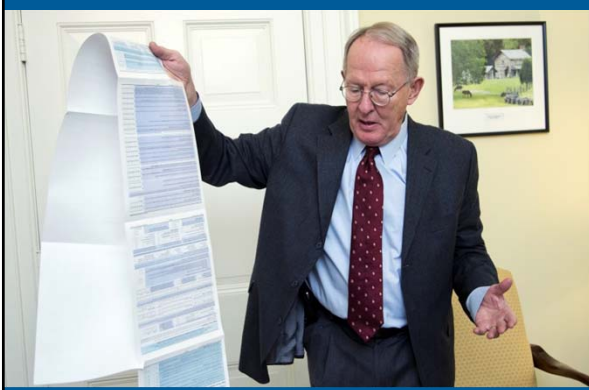
Graduate/Professional Loan Limits Working Group

- Report released in August 2017
- The working group put forward a white paper with the following suggestions:
 - Maintain the availability of federal loans for G/P students;
 - Increase annual G/P loan limits based on inflation;
 - Increase aggregate G/P loan limits based on inflation;
 - Adopt a one-loan scenario for G/P students, eliminating the Graduate PLUS loan;
 - Implement a two-tiered G/P loan with a set base amount plus an additional underwritten portion available up to the full cost of attendance;
 - Continue higher aggregate limits for existing eligible health professions programs; and
 - Support financial aid administrators' authority to limit annual and/or aggregate borrowing limits for certain classifications of students and programs.



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Congressional Update



HEA Reauthorization

- House education committee passed the Promoting Real Opportunity, Success and Prosperity Through Education Reform (PROSPER) Act in December
 - Could go to the House floor at any time
- Sen. Alexander expressed desire to have an HEA bill in the spring
- All bets are off on passage of a final bill, however, as 2018 is a midterm election year.



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HEA Reauthorization: Republican Priorities

- One Grant, One Loan, One Work Study
- Regulatory Relief
- FAFSA Simplification
- Risk-sharing/Accountability
- Modifications to forgiveness benefits and income-driven repayment plans
- Expanding the private sector role in parent and graduate student borrowing



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HEA Reauthorization: Democratic Priorities

Affordability and student debt

- Addressing state disinvestment
- Commitment to Pell
- Debt relief/refinancing
- Loan servicing

Accountability and transparency

- Outcomes and data
- Accreditation reform
- For-profit colleges

Access and success

- Strengthening campus-based aid
- Serving underrepresented students
- Policies for "today's student"

Protecting student safety and rights

- Campus sexual assault
- LGBTQ students
- Students with disabilities
- Hazing



Source: "Senate Democratic Caucus HEA Reauthorization Principles" - Feb. 2018

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PROSPER: Concepts Supported by NASFAA

- Pell Grant bonus
- Increase to undergraduate loan limits
- Ability to Benefit full restoration
- Elimination of origination fees
- Streamlined repayment options and cap on negative amortization
- Institutional authority to limit loans
- Relaxation of certain FWS requirements
- FAFSA simplification
- FSA reform and accountability



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PROSPER: NASFAA's Areas of Concern

Overall Loss of Student Aid Dollars

- Program Elimination
 - FSEOG
 - subsidized loans
 - Grad PLUS
 - PSLF and occupation-based forgiveness
 - Time-based forgiveness
 - TEACH Grant
 - Grad student FWS eligibility
- Pell Grant Leveling



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PROSPER: NASFAA's Areas of Concern

Potential Unintended Consequences:

- R2T4 provision
- Rapid allocation changes for FWS

Increased Complexity:

- Mandated weekly or monthly disbursements
- Mandated annual counseling for Pell and Loans

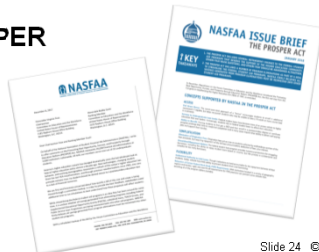


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PROSPER: NASFAA Resources

For more on PROSPER, including one-pagers, NASFAA statements and letters, and additional analysis and insight, see NASFAA's PROSPER Act page:

nasfaa.org/PROSPER



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Senate Activity in 115th Congress

- Chairman Alexander expressed desire to produce a bipartisan bill this spring
- Committee has held several hearings since November:
 - Examining proposals to simplify the FAFSA
 - NASFAA testified
 - Financial aid simplification and transparency
 - Access and innovation
 - Accountability and risk to taxpayers
 - Improving college affordability



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HEA Reauthorization: Long Way to Go...

- ✓ House Committee mark-up
- ✓ Pass out of Committee
- Pass out of full House

- Senate must introduce comprehensive bill
- Senate committee mark-up
- Pass out of Committee
- Pass out of full Senate

- Conference between House & Senate bills
- Both chambers pass final version
- President signs into law



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Opportunities for Advocacy

- **Volunteer!**
 - Advocacy Pipeline
 - Task Force or Working Group
- **Write and Visit Your Member of Congress**
 - Share your advocacy efforts with NASFAA, so we can support and assist you in your efforts.
 - New education committee members means new states in the mix
- **Stay Informed on What's Happening**
 - Read NASFAA's *Today's News* and Policy and Advocacy Webpages on nasfaa.org



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