

CASFAA Federal Issues Committee

March 12, 2015

2:00pm – 3:00pm

Conference Call

(1-888-450-4821 Participant Passcode: 175728)

Attendees: Louise Jones, Melissa Moser, Vicky Shipley, Scott Cline, Anafe Robinson, Peggy Lowey Wellish, Malina Chang, Emily Valvadino, Dwayne Barnes

NASFAA Leadership Conference

- 2 tracks – Associate services track and Aspiring New Directors track
- Members of the Hill spoke to the group – info that they thought congress was going to do
- Prepped for hill visits
- Visits with WASFAA group
- Amy Jones and Bob Moran (House side) – much bleaker outlook
 - Subsidized loan will go away – need interest in unsub to pay for Pell
 - Perkins will be going away – no use of asking for more money
- Senate staffers – much more positive outlook. Need comments from students and FAA stating that these programs are needed.
- Sit and wait at this time
- Some attendees met with Congress folks

NegReg – Loans

- 1st session – Feb 2015
 - The current PAYE is restrictive
 - PAYE2 – new one that President plans to expand the PAYE to add more students to qualify who are not eligible for the PAYE. Problem with adding another loan repayment program.
 - PAYE is a spin-off of Income Contingent
 - Cost issues
 - Tentative proposals in the agenda – still under USDE scrutiny. There were 15 original items.
 - Servicer transfer to another servicer – default to standard repayment – warm transfer
 - Change in collection fees – technical term change to align regs with statute
 - Pat Hurley added this item to the table – to allow CDR for low participation rate for the year before college gets into trouble – community college
 - Notification under current PAYE
 - Using database match system for US military service members
- Two more meetings
 - March 31st – April 2nd - supposed to get language from USDE of their proposals (issue paper) days before the meeting. Once there is consensus then language goes to Federal Register.

- April 28th – 30th – final meeting
- Non-federal negotiators are on opposite side – don't need another income repayment plan
- USDE doesn't care if there is no consensus because the Dept will make decisions anyway
- Every NegReg packaged has to be paid for – a lot of items in the proposals have hefty price tag

Student Aid Bill of Rights

- Some of these items have been on the works already such as Common complaint system, single point of contact (one portal)

FAFSA Simplification

- Senate – want to get the NO Child Left Behind reauthorization first – this has to clear first before moving on HEA Reauthorization
- Senator Alexander wants to move the bill this spring/summer 2015

Next action items: Scott will forward language on next NegReg.