



Talking Points for February 2016 Hill Visits –
Priorities for the Reauthorization of the Higher Education Act

FAFSA
Simplification

- CASFAA supports proposals that would simplify the application process for students and families while strengthening federal needs analysis, improving the integrity of federal student aid, and eliminating the need for widespread use of new, costly supplemental forms for states and institutions.
- CASFAA supports the use of modern technology to use skip logic to make sure students and families must answer the minimal number of questions to determine their ability to pay for college. The NASFAA proposal is a good example of utilizing this technology and helping families.
- CASFAA further supports strengthening the relationship between the Department of Education and the Department of Treasury to make more information available via the data retrieval tool thus further reducing the burden on students and families, including allowing both parents to retrieve data when filing separately and pulling information from appropriate tax schedules.

Regulatory
Reduction and
Simplification of
Student
Messaging

- HEA is an opportunity to streamline the aid system and CASFAA recommends removing rules that have no impact on the targeting of aid to low and middle income students.
- In addition, CASFAA recommends we “combine and align” the many different measures meant to limit aid to students successfully completing coursework and moving to graduation within 6 years for a four year degree (or 150% of other degree lengths.) and that congress help direct ED and SFA to use consistent measures and regulatory interpretations. More than just a burden to schools, the regulatory complexity is very difficult for students and families to understand and plan. Please see the “Combine and Align” Handout.
- Streamlining the measures of eligibility would also make for a simpler, less costly year-round Pell implementation -- allowing students to accelerate their time to degree without undue burden on taxpayers or institutions.

Pell Grants

CASFAA supports strong and sustained funding for Pell grants as a key way to keep college affordable for low-income Americans:

- Maintain and increase the maximum award and provide certainty from year to year for Pell Grant eligible students.
- Provide Incentives to Institutions that successfully enroll Pell students and graduate them at similar rates as all their students.

- Provide year-round Pell grants to students who are accelerating their time to degree.

Federal Student Loan Programs

CASFAA would like to see a number of specific improvements to the Federal Student Loan programs that would aid students and families in borrowing responsibly and improve loan servicing, reducing taxpayer costs through efficiencies:

- Simplify repayment plans (such as one standard 10 year and REPAYE type income based plans and continue to refine the income based plan(s)) to provide appropriate options that benefit the borrowers and taxpayers.
- Payroll deduction and IRS tax filing for loan collections to eliminate loan processing and contractor obligations
- Allow borrowers to easily enroll in income based repayment for multiple years via IRS data match.
- In-school interest subsidy maintained for undergraduate loans, and restored for graduate students and post-graduation grace periods
- Allow schools more flexibility in providing and requiring loan counseling to students borrowing more than the school average, beyond direct educational costs, or accessing unsubsidized loans
- Streamlined and targeted loan counseling information provided by the Department of Education which includes personalized actual borrowing to date and projected future borrowing to degree completion.
- Elimination of loan origination fees charged to students;
- Single point of contact for borrowers for all repayment activities with uniform service levels, loan terms and borrower benefits across servicers.
- Raise annual loan limits for students in four year and graduate institutions and above as graduate and undergraduate loan limits have not been raised in over a decade forcing many families into more expensive PLUS and private loans.

Program Integrity and Accreditation

CASFAA supports efforts to strengthen the integrity of student loan programs and reform accreditation to encourage innovative and responsible delivery of higher education without placing undue burden on schools. Potential changes to the higher Education Act might include:

- Setting timelines for program reviews of institutions based on defined measure of institutional performance.
- Replacing cohort default rates with more refined, contextual measures of institutional success.
- Consideration of alternative delivery of higher education in accreditation and Title IV eligibility with objective success measures.
- Strengthening enforcement and effectiveness of consumer protection for borrowers who secure private educational loans