

COVID Pandemic Relief

The student and institutional relief funding provided by the CARES Act was critical to ensuring students and institutions could pivot to online learning and respond quickly to the national emergency. NAICU supports additional funding in the next relief package of at least \$46.6 billion to support students with any part of cost of attendance, and for institutions to defray expenses related to coronavirus. This emergency funding, along with limited liability protection for institutions that follow public safety protocols to protect their students and communities, will help ensure that colleges can continue to fulfill their educational missions.

We also support refundable tax credits for nonprofit employers to cover the costs of any mandated paid sick or family leave provisions and efforts to assist nonprofits that self-insure with their unemployment expenses. Finally, we applaud the expansion of Tax Code Sec. 127, employer provided education assistance, to allow employers to help pay student loan amounts for employees and support any efforts to increase the annual benefit amount.

Student Aid Programs and Funding

The federal student aid programs work together to help low-income students get into, stay in, and complete college. NAICU supports and appreciates the proposed increases provided for student aid in the House funding bill for FY2021. The increase in the Pell Grant maximum to \$6,495, along with increases for SEOG, Federal Work Study, TRIO and GEAR UP, are critical to ensuring students are ready for college, and supported through completion. We encourage the Senate to adopt these funding increases in the final FY2021 funding bill. Together these programs make college possible for millions of students each year.

Federal Student Loans

Federal student loans are a critical access tool for millions of Americans. While most students have manageable debt and repay their loans, it is still a concern. Attempts to address the debt issue need to be focused on those borrowers who are struggling the most. Budget proposals to charge low-income students interest while they are in school would cost working class and Pell students thousands of dollars. While we support reasonable federal loan limits for borrowers, we do not support a dramatic lowering of loan limits for parents and graduate students, which would force many to turn to the private market for loans for which they may not qualify.

Free Public College

Federal funding to waive public college tuition will not result in college for all. We strongly support keeping the federal higher education investment targeted on low- and middle-income students, wherever they choose to attend college, and not on one sector of institutions. Private, nonprofit colleges enroll the same percentage of Pell Grant students as public colleges and are a key part of ensuring opportunity and choice in American higher education.

Tax Policy

The Tax Cuts and Jobs Act (TCJA), signed into law in December 2017, contained several tax hikes on private colleges and universities. While we applaud the repeal of both the parking tax on nonprofit mass transit benefits and the kiddie tax rate increase on scholarship and grant awards, we are still opposed to the private college endowment/net investment tax, the private college salary tax, and the elimination of advance bond refinancing. These taxes should also be repealed. They are punitive, unfair, and do nothing to help our institutions or the students we serve.

Campus Sexual Assault

Students attending college should expect to find a safe and supportive environment. But current fluctuations in rules, with little time for meaningful implementation, undermine recent positive action towards changing campus culture. Federal initiatives to enhance campus safety must assure the safety and fair treatment of all students. They must also reflect the significant lessons learned during the past decade's efforts to address this problem.

Deferred Action for Childhood Arrivals (DACA)

The Supreme Court decision in June to uphold the DACA program coupled with the recent announcement that DHS will not process any additional DACA applications leaves DACA students understandably confused. Congress should take action to address the DACA program in a bipartisan manner that will provide certainty to these students about the program going forward.

Veterans and Service Member Education

The federal investment in educational benefits for veteran and military students has opened educational opportunities for many veterans. Particularly important are the Post-9/11 GI Bill and its "Yellow Ribbon" program. We continue to work with Congress to ensure the VA can get student veterans their benefits under the "Forever GI

Bill” expansions in a timely manner. Colleges are being as flexible as possible regarding the delay in payments, and are committed to continuing to offer a supportive campus environment for veterans.

Section 117 Reporting of Foreign Gifts

There is increased concern with foreign influence at American colleges and universities. Some proposals from the Administration and in Congress would require such excessive new reporting by institutions that the reporting would become ineffective. We support provisions in the House College Affordability Act that maintain the current \$250,000 reporting threshold, protect anonymous giving, and ensure tuition and related fees are not counted as foreign gifts.

College Completion

There is an important and heightened conversation taking place regarding college completion. It is a long-time priority of independent colleges, which have the highest graduation rates of any sector. We support initiatives that could positively affect college completion, such as NAICU’s Pell Plus proposal.

Freedom of Speech

Promoting the free and open exchange of ideas is a central tenet of higher education. In an era of increased protests on college campuses, Congress has considered various proposals to regulate how institutions handle freedom of speech. Any such proposals must consider an institution’s duty to balance free speech protections with other essential values, such as student safety, inclusion, respect, and institutional mission.

Student Privacy

We support increased transparency, but also believe in the importance of protecting the confidentiality of students’ personal information. Congress should give careful consideration to the new technology approach in the Student Right to Know Before You Go Act, which has the potential to get policymakers the information they want without sacrificing student privacy.

Title IV Eligibility by Major

Historically, Title IV eligibility has been available institution-wide to colleges that meet appropriate federal, state, and accreditation requirements. The proposal to base federal student aid eligibility on a major-by-major basis as determined by former students’ repayment rates is misguided. This federal intrusion into academic decision making would create massive amounts of red tape, potentially shut off certain majors

to students from low- or middle-income families, and stifle the development of new majors. Private, nonprofit colleges are deeply committed to ensuring students have the opportunity to choose the major that best fits their needs regardless of their wealth.

Deregulation

Regulation and oversight in higher education is important to assuring accountability for federal dollars. However, we encourage the elimination of higher education regulations that are stifling innovation or not serving their intended purpose. Congress should decide what is critical to federal oversight, taxpayers, and higher education consumers, and then limit reporting and related regulatory requirements to those areas.

Accreditation

The core function of accreditation is ensuring the quality of American higher education, while allowing its diversity. We are concerned that accreditation is losing its independence and becoming an agent of federal compliance. Quality and diversity are accomplished through the peer-review process, and by an institution’s autonomy to establish its own mission and academic standards.

Award and Transfer of Credit

The awarding and defining of academic credit is central to an institution’s academic mission, and to the value and meaning of its diploma. In a rapidly changing environment of increased student mobility and new modes of course delivery, institutions are taking a careful look at their policies. However, federal mandates on the standards to be used are not only inappropriate, but also place at risk one of the most effective quality control mechanisms in higher education.

Institutional Risk Sharing

At private, nonprofit colleges, 74% of all aid for students comes from a college’s own resources. However, there is the perception among some that colleges and universities do not have enough “skin in the game” when it comes to educating students. Several different proposals have been floated to require additional institutional risk-sharing. Such measures could add significantly to the financial risk for institutions, affect their financial ratings and ratios, and drive up tuition. Colleges already have significant “skin in the game” with low-income students and will continue to heavily invest in their students.