

Student Aid 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 increases provided in the 2019 student aid funding bills. The increase in the Pell Grant maximum to \$6,195, along with strong funding for SEOG, Federal Work Study, TRIO and GEAR UP are critical to ensuring students are ready for college, and supported through completion.

Tax Policy

The Tax Cuts and Jobs Act (TCJA), signed into law in December 2017, contained several new tax hikes on private colleges and universities. They include the elimination of advance bond refunding, the new private college endowment tax and private college salary tax, and a new tax on parking and other transit benefits we provide to our employees. These new taxes should be eliminated. They are punitive, unfair, and do nothing to help our institutions or the students we serve.

The Importance of the Pell Grants and Campus-Based Aid Programs

Pell Grants are rightfully regarded as the cornerstone of federal student aid and we appreciate their strong bipartisan support. The Federal Work-Study and SEOG programs require colleges to match federal student aid funds, so they have “skin in the student aid game.” The SEOG program has served low-income students for nearly half a century. The recently-expired Perkins Loan program should be permanently reauthorized. Eliminating these programs in favor of one grant, one loan would be pennywise and pound foolish, as such an action would terminate institutional “skin in the game” requirements.

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 share Congress’ concern about the inability of the VA to get student veterans their benefits under the “Forever GI Bill” expansions. 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.

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.

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 elected officials 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.

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.

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.

Free Public College

Federal funding to waive four-year 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.

Campus Sexual Assault

Students attending college should expect to find a safe and supportive environment. Campus sexual assault is getting more national attention, and generating positive action towards changing campus culture. Legislative and regulatory initiatives to enhance campus safety must assure the safety and fair treatment of all students. They must also be flexible enough to be adapted to state-of-the-art intervention strategies and the particular circumstances of each institution.

Deferred Action for Childhood Arrivals (DACA)

While the program officially ended on March 5, 2018, court rulings have kept it temporarily in place. The turmoil has led many DACA students to be understandably nervous about their future status. Congress should take bipartisan legislative action to protect DACA enrollees.

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.

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.

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. We hope you will 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.