

Double the Pell Grant and Increase Student Aid Funding

The Pell Grant program serves as the cornerstone of federal student aid and works with other student aid programs to help low-income students get into, stay in, and complete college. NAICU supports the \$500 increase in the Pell Grant maximum award Congress has proposed for FY23 appropriations, and the proposed increases for SEOG, Federal Work-Study, TRIO and GEAR UP as these programs work together to ensure students are ready for college and supported through completion. We encourage Congress to continue providing increases and to double the Pell Grant to \$13,000, a bipartisan position supported by 75% of registered voters in a recent national poll.

COVID Pandemic Relief

The COVID relief funding Congress provided to institutions and students has been essential to keeping colleges open and students enrolled during the pandemic. We also appreciate the tax benefits included in the pandemic stimulus bills like the employee-retention credit and the expanded charitable giving incentives. We are particularly pleased about the expansion of IRC Sec. 127, employer-provided education assistance, to allow employers to help pay student loan amounts for employees. We support extending these important benefits beyond their current expiration dates.

Federal Student Loans and Student Loan Debt

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 Grant 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.

Tax Policy

We remain steadfastly opposed to the private college endowment/net investment tax, and the private college salary tax that were signed into law in 2017. These taxes

should be repealed. They are punitive, unfair, and do nothing to help our institutions or the students we serve. Congress should strengthen and expand the current student and family benefits and charitable giving incentives, including allowing employers to offer more annual tax-free education and student loan repayment assistance under Sec. 127 of the tax code. The annual amount of tax-free assistance available under Sec. 127 hasn't been increased in over 35 years.

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 appreciate that Congress extended COVID relief provisions for student veterans and made technical updates to recent legislation, and that it enacted legislation to address our concerns with the new Department of Veterans Affairs interpretation of the 85/15 rule counting non-GI bill benefit recipients as supported students. VA anticipates implementation of the bill for this fall.

Financial Responsibility Standards

Current financial responsibility standards were put in place in 1992, and have not been adequately updated to reflect today's accounting standards or public policy questions. Also, the pandemic saw large revenue losses for institutions, which will have an impact on their financial responsibility scores. We believe that flexibility should be granted to private, nonprofit institutions regarding their financial responsibility scores and that the fundamental purpose of the standards should be reviewed and updated.

Institutional Aid

The private, nonprofit sector consists of Historically Black Colleges and Universities, Tribal Colleges and Universities, Minority-Serving Institutions, and Strengthening Institutions Program eligible institutions. These institutions benefit from institutional aid programs in Titles III and V of the Higher Education Act. We believe that greater flexibility should be granted to these institutions in how these funds are used, current programs should be updated to better serve these institutions, and funding should be increased to allow them to better support their students.

International Students

The openness of our colleges and universities is vital to our nation's economy and to promoting our leadership in the world. We support efforts to ensure international students are welcome on U.S. campuses, while also ensuring American interests are protected.

Deferred Action for Childhood Arrivals (DACA)

The federal halt on processing new DACA applications after a Texas court ruling that the program is illegal, puts enormous pressure on Congress to formally establish a program. NAICU supports legislative action to ensure DACA students have a permanent and certain pathway forward.

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. The initiatives must also reflect the significant lessons learned during the past decade's efforts to address this problem.

Appropriate Accountability

An appropriate model of accountability should balance the responsibilities of institutions to taxpayers and students with the recognition that the diversity of American higher education is a strength to the nation and the students we serve. To that end, the private, nonprofit sector has been actively engaged in past and current regulatory processes, including those that seek improved consumer protections for students. We also encourage the regular review and revision of regulations that are outdated and no longer effective. Congress should decide what regulations are critical to federal oversight, taxpayers, and higher education consumers, and then focus reporting and related regulatory requirements in those areas.

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. While we do not believe that the College Transparency Act provides sufficient student privacy protections, 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.

Accreditation

The core function of accreditation is ensuring the quality of American higher education, while acknowledging 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. It is also an important and effective quality control mechanism. In a rapidly changing environment of increased student mobility and new modes of course delivery, institutions are taking a careful look at their policies to ensure students are treated fairly and expeditiously and that policies do not hinder degree completion.