

Higher Education Act Reauthorization in the 117th Congress: Recommendations for Implementation

Introduction

The University of California (UC) is the largest public research university system in the world. It includes 10 campuses, six academic health centers and three affiliated national laboratories. UC is committed to carrying out its research, education, health care and public service missions—strengthening investments and programs established in the Higher Education Act (HEA) will allow the University to continue serve as an engine for social mobility and driver of the economy in California and across the nation.

UC appreciates the support the federal government provides institutions of higher education through the HEA, and looks forward to working with Congress throughout the reauthorization process. UC pledges to provide data, analysis and technical review of legislation and proposals to ensure that any new requirements are feasible for institutions to implement and helpful to students and their families.

During the 116th Congress, several proposals for federal-state partnerships to establish debt-free higher education were proposed. While UC—as a large public research institution dedicated to affordability for all students—appreciates Congress’s commitment to affordability, the University believes future proposals must consider the immediate and long-term effects of the pandemic, as well as its impact on state budgets. Even as many states have made significant investments to strengthen student financial aid programs, including some free college proposals, pandemic-driven budget shortfalls have caused some of those promised opportunities to be recalled.

Creating a match requirement for states to participate in an eventual federal-state partnership is not a sustainable path in uncertain economic times. Even in states with well-funded student aid programs, cuts to education are being implemented. This year, for instance, California’s budget included a new federal funding “trigger.” The trigger automatically cut UC’s budget allocation by 7 percent when sufficient relief funding from Congress was not received by mid-October 2020. In addition to the following priorities, UC calls on Congress to ensure that robust allocations of state and local pandemic relief are provided in the next agreement.

Below are priorities UC requests to be addressed in the reauthorization of the HEA. As legislation and proposals are further developed, UC will provide additional comments and recommendations.

For more information or questions regarding UC’s priorities for reauthorization of the HEA, please contact Crystal Martinez, Director of Federal Education Policy in UC’s Office of Federal Governmental Relations at 202-974-6308 or Crystal.Martinez@ucdc.edu.

Table of Contents

The Federal Pell Grant Program	3
Basic Needs	4
The Federal Work Study Program	5
Graduate Education	5
Federal Student Loan Programs	6
The Free Application for Federal Student Aid (FAFSA).....	7
Regulatory Reduction	8
Program Integrity	8
Programs that Address National Concerns.....	9
Programs for Underrepresented Groups	10
Campus Safety	10



The Federal Pell Grant Program

At UC, more than 78,000 students—35 percent of undergraduates—receive Pell Grants, the highest percentage of Pell Grant recipients of any top research university in the country. Pell Grants are a fundamental component of the network of federal, state and institutional aid that UC students receive. As part of UC's education financing model, all UC undergraduate students contribute to the cost of their education with loans and earnings from outside employment or savings to supplement this funding.

UC supports:

- By fiscal year (FY) 2024, doubling the maximum Pell Grant award to \$13,000, with half of newly appropriated funds made through mandatory funding.
- After FY 2024, providing statutory mandatory annual inflationary increases to Pell Grants to preserve their purchasing power.
- Maintaining mandatory and discretionary funding for the Pell Grant, including year-round Pell.
- Expanding Pell Grant eligibility to students whose families have income of up to at least \$100,000, and indexing income to inflation thereafter.
- Extending Pell Grant eligibility to students with Deferred Action for Childhood Arrivals, Temporary Protected Status or Deferred Enforced Departure status.
- Allowing for a realistic adjustment to the income protection allowance to account for regional costs of living.
- Maintaining unobligated carryover (surplus) Pell Grant funding to ensure that there are sufficient reserves to support grantees in years where there are spikes in applications for federal student aid, such as during economic recessions.
- Providing federal incentives to institutions that support the Pell program's objectives by enrolling large numbers of low-income and first-generation students, offering students significant institutional aid and graduating Pell-eligible students at similar rates as all students.
- Using Pell Grant eligibility to establish a student's (i) low-income status and (ii) eligibility for public assistance programs such as access to childcare subsidies or Supplemental Nutrition Assistance Program (SNAP) benefits.
- Providing all first-time Pell Grant recipients with a \$2,500 one-time award for college transition needs (like bridge programs and technology needs).
- Requiring that Pell Grant recipients receive information from federal or county agencies about public assistance programs they may be eligible for, as well as contact information for campus and county public assistance support staff.
- A Pell Grant adjustment for students who receive a maximum Pell Grant award and were certified by the U.S. Department of Agriculture as participants of the National School Lunch Program when they were in high school.

Basic Needs

California has the highest level of poverty in the country (19 percent), according to the Supplemental Poverty Measure. The high cost of living in the state, mainly due to the soaring cost of housing and child care, is a major contributing factor to poverty among Californians. This exacerbates the existing challenges that UC students face in meeting their basic needs, such as reliable access to food, housing, health care, child care, and technology. UC remains committed to serving as an engine of socio-economic mobility, with 42 percent of students coming from households earning \$50,000 or less.

College students in the ages of 18-26 are in a critical transitional life period regarded as “emerging adulthood,” that is unlike adolescence or young adulthood. Emerging adults are often cut off from child/adolescent state/federal support services and treated as older adults, even without the same skill sets or experience. Graduate and professional school students are often left out of basic needs conversations despite being advanced degree students, starting their graduate programs with higher rates of debt, having minimal financial aid/resources and being core to academic and administrative departments across their universities. Ensuring undergraduate and graduate students’ basic needs are met is essential for improving access, persistence, performance and completion, and ensures a return of life-long federal investments of every generation.

UC supports:

- The reintroduction and passage of the Basic Assistance for Students in College (BASIC) Act which would authorize a new discretionary grant program that awards funding to universities for implementation or expansion of existing basic needs programs on campuses. In addition to programming, the universities would be required to collect and analyze data and publish best practices.
- Reauthorizing and strengthening the Child Care Access Means Parents in School Program (CCAMPIS). This program supports parents in higher education so they can better support their families in the future, and requires additional investment to ensure that more parents can successfully balance achieving their higher education and raising their families.
- Strengthening existing basic needs efforts with additional federal investments at universities that receive need-based financial aid, particularly campuses with high concentrations of students from low-income backgrounds, first-generation students and students who were participants of the National School Lunch Program in high school or former foster youth.
- Prioritizing discretionary grant funding for universities that receive Pell Grants and federally-funded fellowships that plan to have at least: (i) one full-time campus director of basic needs programs and services; (ii) one full-time case manager focused on students experiencing severe poverty, hunger, homelessness or lack of access to child care; (iii) a dedicated space that is either on-campus or easily accessible via public transportation from campus where basic needs services and programs are coordinated; and (iv) an emergency housing support protocol for students lacking housing, including for graduate and international students.
- Removing additional requirements that only apply to college students for federal entitlement programs. For example, the college student work requirement of SNAP has caused harm to generations of undergraduate and graduate students who were never informed of their potential eligibility and/or county staff were not properly trained to review, interview and support students.

- Ensuring that federal grants, tuition remission and fellowships be exempt from public assistance income calculations.
- Classifying all higher education as training programs, so that income-eligible students meet the work requirements to qualify for SNAP assistance.



The Federal Work-Study Program

Federal Work Study is an important program that 11,196 UC undergraduate and 669 UC graduate students participated in during the 2018-19 school year. This program is vital to students being able to reduce loan balances, pay for basic needs and cover other living expenses. UC believes that work-study opportunities should also encompass experiential learning opportunities.

UC Supports:

- By 2024, doubling funding for the Federal Work-Study (FWS) program to \$2.5 billion and allowing funds to be used for student positions in research laboratories and in other research opportunities. By increasing federal funding for FWS and broadening the scope of students' employment opportunities, more students will be able to complete college with less or no debt; and more students will gain additional skills and experience that bolster their future job prospects or expose them to new opportunities in graduate school.

Graduate Education

Graduate students are the backbone of research and innovation at UC and at higher education institutions across the country. They make discoveries across all fields of scholarship and serve as teaching assistants to undergraduates. Data shows that graduate education increases lifetime earnings, which generates additional tax revenue to support local, state and federal initiatives.

Graduate-level education has received a disproportionate share of cuts from previous higher education reform efforts. Graduate students have lost all student loan subsidies, as well as funding for some fellowship programs, such as the Jacob J. Javits program. Recent UC findings show that major basic needs challenges for graduate students stem from a lack of summer funding and insufficient stipends to cover their basic needs. Reinstating, and increasing, federal support for graduate students is essential to having a healthy economy and positioning the United States to continue to be a global innovation leader.

UC supports:

- Allowing graduate students to use Pell Grant eligibility that remains from their undergraduate education.
- Reinstating, and increasing, funding for fellowships and discretionary grant programs intended for graduate and professional education students.
- Providing federal incentives to institutions that ensure underrepresented groups are successful in pursuing research in graduate education programs.
- Updating public assistance eligibility materials and processes to include language specific to graduate students. Graduate students often have difficulty accessing SNAP (known as CalFresh in California) benefits and child care.



Federal Student Loan Programs

More than half of UC's graduating undergraduates have no student loan debt upon graduation; for those students who did borrow, the average cumulative student loan debt at graduation for 2017-18 graduates was \$21,100, well below the national average of \$29,200. UC supports changes to federal student loan programs that enhance student benefits and improve how student loans are administered, disbursed, serviced and repaid. UC supports a targeted forgiveness program to help stimulate the economy as well as simplifying borrower defense to repayment.

UC supports:

- Maintaining in-school interest subsidies for undergraduate student loans and restoring in-school interest subsidies for graduate student loans.
- Maintaining current graduate student loan options, including GRAD PLUS loans, as well as graduate student eligibility for Stafford loans.
- Strengthening and simplifying loan forgiveness and income-driven repayment programs for all students.
- Expanding and simplifying the Public Service Loan Forgiveness (PSLF) program.
- Restoring the campus-based Federal Perkins Loan Program, including providing graduate students with access to the program.

- Increasing transparency for borrowers, including broad dissemination of information about how interest accrues while in school and how to access and enroll in income-driven repayment programs upon graduation.
- Improving the interface between borrowers and servicers to allow transparency throughout the repayment process.
- Providing for the refinancing of higher interest loans and the elimination of loan origination fees.
- Ensuring that the federal government uses any student loan interest profit to strengthen other student aid programs, such as the Pell Grant.
- Increasing availability of—and considering the implementation of auto-enrollment for— income-driven repayment programs, and supporting efforts to promote awareness of these programs.
- Authorizing in statute a formal role for the Consumer Financial Protection Bureau (CFPB) in providing consumer education and consumer protection to student borrowers.



The Free Application for Federal Student Aid (FAFSA)

UC applauds the FAFSA simplification provisions passed 116th Congress that helps reduce the administrative burden on applicants and their families, increase college-going rates and more effectively determine eligibility for federal financial aid. UC believes that more can be done.

UC supports:

- Preserving a student or family's ability to explain complex financial situations that reflect the diverse and non-traditional pathways students take to higher education. Institutions should be consulted when eliminating questions on the FAFSA to avoid the need for supplemental forms to award state or institutional aid.
- Create the opportunity on the FAFSA and related Department of Education systems for students and institutions to report non-binary gender identities and lived names. While this will help to serve LGBTQ+ students, it could also help the taxpayer track students who have changed their names over time.

Regulatory Reduction

UC supports reevaluating administrative regulations that do not affect the targeting of aid to low-income students and that streamline the aid process. For example, institutions that have a history of successfully and efficiently administering federal aid to students should be relieved of administratively burdensome rules, given their records of academic success, loan repayment and commitment to program integrity. In addition, institutions that have less favorable completion and default rates should be subject to enhanced oversight to protect the integrity of federal aid programs.

UC supports:

- Including risk-based assessments for institutions with records of stability and successful performance as a component of the accreditation process.
- Evaluating the current rules for the Return of Title IV funds, which are complex and burdensome. Of particular concern is the interpretation by the U.S. Department of Education that institutions must document the commencement of academic activity despite being categorized by the department as institutions that are not required to take attendance.



Program Integrity

UC supports efforts to strengthen the integrity of federal student aid programs, which would increase institutional accountability for the financial aid students receive, ensure that federal dollars are helping students with the greatest need and target funds toward institutions that move students effectively from enrollment to completion. The federal government must ensure that funds do not flow to institutions where students take on unreasonable levels of student debt or do not earn credentials that prepare them for degree-granting programs or employment opportunities that allow them to repay their loans.

UC supports:

- Setting timelines for program reviews of institutions with high default rates and large numbers of student complaints.
- Creating an index of student-default, risk-based loan repayment rates at individual institutions.

- Enhancing consumer protections for borrowers with private loans, especially those marketed as “educational” loans.
- Adjusting the 90-10 rule to 85-15 or further, and counting military tuition-assistance and veterans’ benefits as federal aid contributing toward the 85 percent limit.
- Creating an interagency task force to coordinate federal oversight of proprietary institutions, and publishing “warning lists” of institutions for prospective students and their families.

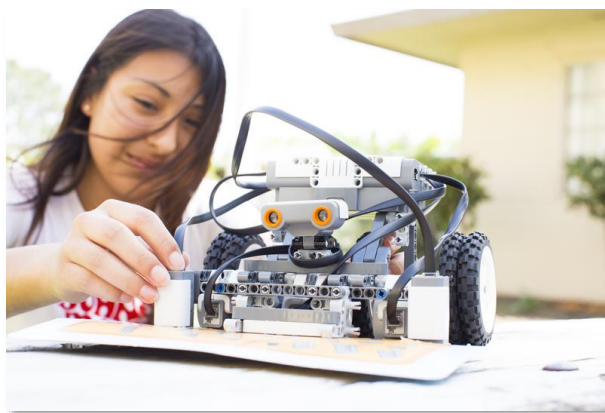
Programs that Address National Concerns

In addition to the programs in Title IV of the HEA, there are programs that assist students and higher education institutions in the areas of professional development and teacher recruitment, educational technology, graduate education and international studies that must be renewed and strengthened.

HEA reauthorization provides an opportunity to replicate successful and cost-effective state and institutional initiatives throughout the country, and to create new programs that address emerging needs in higher education, such as combatting sexual violence and sexual assault on campuses, and the growing need for additional mental health services.

UC supports:

- Providing new incentives for institutional efforts to reach populations traditionally underserved by colleges and universities, and providing the federal support these students need to be successful in their postsecondary studies, including graduate education.
- Increasing funding authorization levels for Graduate Assistance in Areas of National Need (GAANN). GAANN is a valuable resource to help support graduate students with financial need and advance research aims and needs on behalf of the nation.
- Expanding and supporting robust funding authorization levels for campus-based programs, such as Federal Supplemental Educational Opportunity Grants and Federal Work-Study programs that provide additional assistance to students with exceptional need.
- Strengthening and supporting robust authorization levels for Title VI programs, which address critical national foreign language needs.
- Providing targeted funding to develop a diverse future faculty which would help increase the number of underrepresented students that pursue graduate study across all fields, and diversify the knowledge-based workforce.



Programs for Underrepresented Groups

UC provides unique pathways for diverse populations to access higher education. As many as 40 percent of UC undergraduates are the first in their families to attend college; 49 percent of these first-generation students are Black, Latino/Chicano or American Indian, and UC is committed to ensuring that underrepresented populations have equitable access to the university. Five of UC's 10 campuses—UC Irvine, UC Merced, UC Riverside, UC Santa Barbara and UC Santa Cruz—have met the federal criteria for a Hispanic-Serving Institution (HSI). Three campuses—UCLA, UC San Diego and UC Davis—are considered “emerging” HSIs. UC is unique in that it is one of the few research universities with campuses designated as HSIs. Additionally, UC has two campuses that are eligible for Asian American and Native American Pacific Islander-Serving Institutions (AANAPISI) designations (UC Irvine and UC Riverside), four campuses that are potentially eligible (UC Berkeley, UC Davis, UCLA and UC San Diego) for such designation and one campus is currently ineligible to receive funding due to having an existing grant under its HSI designation (UC Riverside).

UC supports:

- Increasing funding authorization levels for GEAR UP and TRIO programs, which assist campuses in providing academic support services and counseling to underserved student populations in K-12 education who would benefit from higher education opportunities. TRIO programs, such as the Ronald E. McNair Post-baccalaureate Achievement Program, provide academic preparation and other support to facilitate students achieving graduate degrees. Funding for these programs should be increased as underserved student populations are even less represented as they advance along academic pathways.
- Maintaining GEAR UP and TRIO as separate programs, as they serve complementary purposes. UC supports providing new incentives for institutional support for implementing successful Title III programs, which are key to underrepresented students' success in higher education.
- Strengthening and increasing authorization levels for Title V programs such as HSIs and Promoting Postbaccalaureate Opportunities for Hispanic Americans, ensuring that institutions that have a track record of success can continue to refine and expand campus-based programs funded by these grants.
- Investing in research institutions that are designated as Minority Serving Institutions, inclusive of HSIs, AANAPISI institutions, Tribal Colleges and Universities, Historically Black Colleges and Universities and Predominately Black Institutions. Targeted funding to support a diverse STEM workforce would help increase the number of underrepresented students that enter graduate studies and academia in the STEM fields.
- Incentivizing the integration of a college readiness curriculum into federally-funded pre-college programs to better prepare students to support their basic needs (financial literacy, basic nutrition/cooking, housing security, and mental and physical health).

Campus Safety

The University of California is committed to providing a process for responding to sexual harassment—including sexual violence—that is fair, treats all parties with respect and compassion and results in just and reliable outcomes. Any provisions relating to this issue should take into consideration state laws passed since the 2011 Department of Education guidance was issued and subsequently rescinded in 2017; terms and conditions imposed by

various federal science agencies; and the Title IX regulations issued during the last administration which prescribe schools' responses to sexual harassment complaints. The most recently issued regulations do not reflect best practices, and are likely to result in less accountability for misconduct.

UC supports:

- [Repealing the Title IX regulations](#) that were put in place by the U.S. Department of Education and went into effect on Aug. 14, 2020.
- Adopting policies that ensure institutions of higher education are implementing a full and fair process for responding to complaints of sexual harassment, including sexual violence.
- Providing adequate student services and supports for students impacted by sexual harassment, including sexual violence, including holistic health, well-being and crisis advocacy.

