

Priorities for Reauthorization of the Higher Education Act in the 116th Congress

The University of California (UC) is the largest public research university system in the world, with more than 280,000 students, 180,000 faculty and staff and more than 2 million living alumni. It includes 10 campuses, five medical centers and three affiliated national laboratories. UC remains committed to carrying out its research, education, health care and public service missions, and strengthening programs established in the Higher Education Act (HEA) will allow the university to continue to thrive and serve as a social mobility and economic engine for California and the nation.

There has been increased discussion about considering debt-free higher education proposals in future HEA reauthorization efforts. In the 115th Congress, proposals for federal-state partnerships to establish debt-free higher education were circulated. While UC appreciates this conversation as a large public research institution dedicated to affordability for all students, we believe that these proposals need to take into account the significant investments that states have already made to strengthen student financial aid programs. In California, low-income students can apply for the California College Promise Grant, which can waive enrollment fees in the California Community Colleges and provide additional assistance for the purchase of books and supplies. Additionally, the California Student Aid Commission provides Cal Grants to low-income undergraduates, vocational training students and students in teacher certification programs. The Cal Grant program provides qualifying students with up to \$12,570 each year to attend UC, which can be applied to tuition, room and board, books and other supplies.

These strong state investments in student financial aid have allowed the lowest-income Californians to access higher education in a meaningful way. UC supports incentivizing these ongoing investments in states that have a strong track record of success managing investments in higher education.

UC has one of the most robust student aid programs in the nation, dramatically reducing the net cost of attendance for the neediest families. In 2016-17, for California resident undergraduates, the net cost of attendance at UC—including tuition, fees, room and board, books, health insurance, transportation and other expenses—after grants and scholarships was \$10,800 for the lowest income families. The net cost of attendance after financial aid for California resident undergraduates has remained stable or declined since 2011–12. Additionally, 56 percent of California undergraduates have their tuition fully covered by grants and scholarships—these students pay no tuition—and more than half of UC undergraduates graduate with no student debt.

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.

Below are priorities UC would like to see 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 Director for Education Crystal Martinez in UC's Office of Federal Governmental Relations at 202-974-6308 or Crystal.Martinez@ucdc.edu.

Pell Grants:

Over 81,000 students—nearly 37 percent of all UC 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 our education financing model, all UC students contribute to their own cost of education with loans and earnings from outside employment or savings to supplement this funding.

UC supports:

- Maintaining mandatory and discretionary funding for the Pell Grant, including year-round Pell.
- Providing for statutory annual inflationary increases to Pell Grants.
- Maintaining unobligated carryover (surplus) to preserve the integrity of the program and ensure that there are sufficient reserves to support Pell Grant applicants in years where there are spikes in applications for federal student aid, such as during economic recessions.
- Providing federal incentives to institutions that support Pell objectives by enrolling large numbers of low-income/first-generation students, offering these students significant institutional aid, and graduating Pell-eligible students at similar rates as all students.
- Using a student's eligibility for the Pell Grant to establish (i) a marker to identify low-income status, and (ii) eligibility for public assistance programs.
- Requiring that all Pell Grant recipients receive information about public assistance programs they may be eligible for, as well as contact information for campus and county public assistance support staff.
- A Pell bonus for students who receive a maximum Pell award and have been certified by the U.S. Department of Agriculture as participants of the National School Lunch Program when they were in high school.

Federal Student Loan Programs:

Title IV of the HEA provides the foundation of the federal government's investment in higher education, and the current reauthorization process is an opportunity to strengthen and improve this law. Half of UC's graduating undergraduates in 2017 had no student loan debt upon graduation; for the half of UC students who did borrow, the average cumulative student loan debt at graduation was \$20,200, well below the national average of \$30,100.

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:

- Maintaining in-school subsidies for undergraduate student loans and restoring in-school 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 supporting strong loan forgiveness and simplified income-driven repayment programs for all students.
- Strengthening and maintaining 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 is not profiting significantly from student loan interest, and that any profit is used to strengthen the Pell Grant program.
- Increasing availability of—and considering the implementation of auto-enrollment for— income-driven repayment programs, and supporting efforts to promote awareness of these programs.
- Increasing annual limits for borrowing – annual loan limits for freshmen and sophomores are unrealistically low and force students to pursue more expensive forms of educational financing.

- Authorizing in statute that the Consumer Financial Protection Bureau (CFPB) play a formal role in consumer education and consumer protection for student borrowers.

Free Application for Federal Student Aid (FAFSA):

UC strongly supports simplification of the FAFSA in order to reduce the administrative burden on applicants and their families, increase college-going rates and more effectively determine eligibility for federal financial aid.

UC supports:

- Providing an opportunity for applicants to include in their FAFSA application that they grant permission to the institution to share details about the applicant's financial aid eligibility with entities that help students contribute to their total cost of attendance, e.g., federal or county agencies that administer SNAP/CalFresh programs.
- Continuing to use "prior-prior year" financial data, ensuring the availability of the Internal Revenue Service Data Retrieval Tool and extending the application period by making the FAFSA available in October.
- 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 in order to avoid the use of supplemental forms to award state or institutional aid.

Graduate Education:

Graduate students are the backbone of research and innovation at UC and at institutions across the country. They make discoveries across all fields of scholarship and they serve as teaching assistants to undergraduates. Data show that graduate education increases lifetime earnings, generating 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.

UC supports:

- Allowing graduate students to use remaining Pell Grant eligibility that went unused during their undergraduate years.
- Reinstating funding for fellowships and discretionary grant programs that had been reduced or eliminated and that are intended for graduate and professional education students.

- Providing federal incentives for institutions that ensure underrepresented groups are successful in pursuing research in their graduate education programs.
- Updating public assistance eligibility materials and processes to include language specific to graduate students. Additionally, UC recommends that federal grants, tuition remission and fellowships be exempt from public assistance income calculations, just as Federal Work-Study is.

Regulatory Reduction:

UC supports reevaluating administrative regulations that have no impact on the targeting of aid to low-income students. For example, institutions that have a history of successfully and efficiently administering federal aid to students should be relieved of rules that are not necessary, given their records of academic success and loan repayment, while institutions that have less favorable completion and default rates might 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 scarce 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 other 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.

- Creating metrics for linking Pell eligibility to institutional performance, as California does with Cal Grants.
- Enhancing consumer protections for borrowers with private loans, especially those marketed as “educational” loans.
- Adjusting the 90-10 rule to at least 85-15, 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.
- Developing a universal net price calculator and scorecard to provide comparative information about affordability and value.

Reinstate and Strengthen HEA Programs that Address National Concerns:

In addition to the programs in Title IV of the HEA, there are several 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 reviewed and renewed.

HEA reauthorization provides an opportunity to showcase successful and cost-effective state and institutional initiatives that can be modeled and replicated 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 support these students need to be successful in their postsecondary studies.
- Strengthening 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.

Programs for Underrepresented Groups:

UC provides unique pathways for diverse populations to access higher education. As many as 41 percent of UC undergraduates are the first in their families to attend college; 49 percent of these first-generation students are African American,

Latino/Chicano or American Indian, and UC makes a dedicated effort to ensure that underrepresented populations have equitable access to the university. Six of UC's 10 campuses—UC Davis, UC Irvine, UC Merced, UC Riverside, UC Santa Barbara and UC Santa Cruz—have met the federal criteria for a Hispanic-Serving Institution (HSI). Two campuses—UCLA and UC San Diego—are considered “emerging” HSIs. UC is unique in that it is one of the few research universities with campuses designated as HSI.

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.
- Maintaining GEAR UP and TRIO as separate programs, as they serve complementary purposes. UC also 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 Hispanic-Serving Institutions 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.
- 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).

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, mainly due to the soaring cost of housing and childcare, is a major contributing factor to poverty among Californians. UC remains committed to serving as an engine of socio-economic mobility, with 42 percent of its students coming from households earning \$50,000 or less. Food insecurity among UC students persists, however, and affects more than 40 percent of undergraduates and more than 25 percent of graduate students, with 5 percent of students experiencing homelessness at some point during the academic year. In California, the average annual cost of child care for an infant at a center-based location in 2018 was \$16,542, which exceeds in-state tuition and fees for FY 2019-20 by 19 percent. The cost and availability of reliable childcare can force students that are parents to postpone their education.

UC is a pioneer in the field of college student basic needs, publishing two ([2016](#), [2017](#)) of the largest studies in the country on college basic needs, as well as other academic publications that highlight the risk factors for food insecurity and the potential health and academic impacts of food insecurity among UC students. The researchers' findings show that poverty-related factors—such as a history of childhood food insecurity, being a

recipient of need-based financial aid and race/ethnicity—are risk factors for student food insecurity. Moreover, basic needs challenges are associated with poor academic performance, poor mental and physical health, higher body mass index and poor health behaviors, including insufficient sleep, poor diet and insufficient physical activity.

UC supports:

- Authorizing a new discretionary grant program that would award funding to universities to implement or expand 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 needs stronger investment to support parents in achieving higher education, so they can better support their families in the future.
- 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.
- 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 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.

Campus Safety:

The University of California is committed to providing a process for responding to sexual harassment, including sexual violence, that is fair, treats both 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—if and when issued—the Title IX regulations prescribing schools’ response to sexual harassment complaints.

UC supports:

- 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.