

Policy Measures on the Horizon

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Past Policy Measures that *Might Affect* HEA Reauthorization

- **Reimagining Aid Design & Delivery (2012) examples:**
 - **Application process streamlining (PPY income, IRS)**
 - **Several grant changes (Super Pell, Pell Promise, Pell Well, High Demand Pell, Year-Round Pell, One Grant, Block Grant)**
 - **Indices for Awarding (Student Loan Eligibility or Student Risk)**
 - **Loan cancellation and forgiveness options**
 - **Income-Based Repayment (streamlining or automatic)**
 - **Tie financial aid program funding to outcomes or preparation measures**
 - **Enhanced awareness and consumer information/reporting**

Select Items **Pending** as *Possible* for HEA Reauthorization

- **Re-introduce Year Round Pell (or Flex Pell)**
- **FAFSA simplification efforts (e.g., postcard, tax return as application)**
- **Additional counseling requirements (e.g., Parent PLUS, Pell Grant remaining eligibility and req'ts)**
- **Additional consumer information, reporting, & testing**
- **Mandatory financial aid award letter (content/format)**
- **One grant and one loan**
- **Single points of contact for certain groups**

Current Policy Proposals that *Might Affect* HEA Reauthorization

- **Gates Foundation's *Better for Students: Simplifying the Federal Financial Aid Process* (2015)**
 - **Simplify the FAFSA by sorting students according to complexity of their financial situations (fewer questions)**
 - **75%: AGI, Household Size, Number in College**
 - **25%: Use DRT to get asset information (some may need more)**
 - **Streamline the FAFSA by using IRS tax data on file**
 - **Use DRT to obtain form type and schedule data**
 - **Expand application window by using PPY**

Current Policy Proposals that *Might Affect* HEA Reauthorization

- **HCM Strategists to award \$1 million (funding from Gates Foundation) in short-term grants to develop advocacy strategies for changes in federal financial aid policy**
 - **FAFSA and program simplification**
 - **Loan repayment**
 - **Institutional accountability**
 - **Student Accountability**
 - **Tax-benefit simplification**
 - **State-Federal partnerships for financial aid**

Current Policy Proposals that *Might Affect* HEA Reauthorization

- **HCM Strategists looking for “new voices” on financial aid policy to partner with non-profit organizations including:**
 - **Businesses**
 - **Unions**
 - **Civil Rights Organizations**

Current Policy Proposals that *Might Affect* HEA Reauthorization

- **Center for American Progress report *Scoring the College Scorecard: What's Good and What Needs Improvement* (February 2016)**
 - **Use true repayment rate (especially over default rate)**
 - **Judge more than \$1 reduced principal balance (1, 3, 5, 7 years)**
 - **Align cohorts: repayment, cumul. debt, earnings, & completion**
 - **Generate outcomes by program (not just institution)**
 - **Balance privacy and public information in suppressing data**
 - **New/Better data indicators**

Current Policy Proposals that *Might Affect* HEA Reauthorization

- **New American Foundation reports:**
 - ***Strengthening the Partnership: A Survey of Proposed Higher Education Funding Solutions (April 2016)***
 - **Reviews 9 proposals to strengthen federal-state funding partnerships and/or college cost reduction**
 - **Starting from Scratch: A New Federal and State Partnership in Higher Education (February 2016)**
 - **Eliminate all federal student aid funding (Pell, loans, campus-based...)**
 - **New Federal-State fund: 75% Federal; 25% State**
 - **Federal-State funds meet full unmet need (COA-EFC)**
 - **Institutions must enroll at least 25% of student population from low-income backgrounds to be eligible for funding**

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