



APLU Priorities for the Reauthorization of the Higher Education Act (HEA)

As members of Congress consider reauthorization of the Higher Education Act, the Association of Public and Land-grant Universities (APLU) has developed a series of higher education policy proposals we ask Congress to consider. From the need for better transparency and accountability of colleges and universities to improving federal student aid to support access and degree completion, the proposals detailed in APLU's priorities are aimed at improving student success while enhancing our nation's economic competitiveness.

Our nation has a rich history of recognizing higher education as vital to individual and societal advancement. From the Morrill Acts of 1862 and 1890, to the GI Bill of 1944, to the Higher Education Act of 1965, to the Post-9/11 GI Bill of 2008, policymakers have wisely sought to make a college education – and all of the many benefits associated with it – available to as many people as possible. But more must be done.

A college education has never been more important and more valuable to individuals and society at large. It has been well documented that bachelor's degree holders experience significantly greater employment opportunities and much higher earnings potential and, in turn, contribute far more in taxes over their lifetime than those whose highest completed level of education is high school. But the benefits extend well beyond a paycheck. A bachelor's degree recipient is nearly four times less likely to be a smoker, much more likely to report being in very good or excellent health, and nearly five times less likely to be imprisoned. All told, college graduates' overall reliance on government programs is estimated to be 39 percent less than those with only a high school diploma. College graduates are also more engaged citizens – voting and being politically active at much higher rates, volunteering in their community more often, and more significantly contributing to charitable causes.

APLU's membership includes 219 public research universities and university systems in all 50 states, the District of Columbia, and three territories. Collectively, public institutions of higher education including community colleges educate three-quarters of all postsecondary students in the United States and offer the most affordable and accessible path to realize the limitless opportunities that a higher education offers.

For the 2015-16 academic year, full-time, in-state students at public four-year institutions paid an average of \$3,980 in net tuition and fees with living expenses averaging another \$10,000. And while much attention is often paid to the college graduate burdened with six figures worth of student debt, only 0.5 percent of public university students complete their undergraduate degrees with that much debt. In fact, 79 percent of public university students graduate with less than \$30,000 in debt, with the average amount being \$16,300, including 36 percent who leave with no debt at all. Among public university undergraduates who borrow, the average student debt balance at graduation is \$25,500.

This is not to say there are not challenges associated with affordability and increasing levels of student debt. State disinvestment from public higher education has significantly shifted the cost burden off state ledgers and onto the shoulders of students and their families. Public four-year universities have worked hard to spare students from facing the full brunt of state disinvestment. During the six year period of 2006-07 to 2012-13, after adjusting for inflation, four-year public universities experienced state funding cuts of \$2,370 per student, while tuition and fee revenues increased by only \$1,940. Schools absorbed a net loss of \$430 per full-time student.

These recent trends are unsustainable for both students and schools. That is why APLU strongly believes Congress should prioritize college access, affordability and success with creative and sound proposals, including among other things, a meaningful federal-state government partnership.

Public colleges and universities must be front and center for our nation to meet its educational attainment goal of having 60 percent of working age adults earn a quality postsecondary degree or certificate. For that to be possible, however, it is critical that federal policies ensure support for our public colleges and universities, so that they may remain accessible, affordable, and continue to offer world-class quality education.

A National Imperative: Strengthen Federal Student Aid to Support Access, Degree Completion, and Student Success

The federal government's investment in student aid through Title IV of the Higher Education Act is indispensable for students accessing higher education. This is an investment to not only provide ladders of opportunity for individuals to fulfill the American Dream but also an investment our country makes to ensure a prosperous future for all. Reauthorization of the Higher Education Act provides an opportunity to strengthen support for students to access higher education and build a better future.

Pell Grants

Pell Grants are the cornerstone of needy students financial aid. For many students, Pell Grants make the difference in whether a higher education is possible. Policymakers have proposed a number of bills that would impact Pell funding and individual and program eligibility. APLU applauds Congress for the restoration of year-round Pell. We urge Congress to now turn attention to extending the mandatory inflation adjustment which will expire at the end of 2017 without action. Without inflation adjustments, the power of Pell will decline as inflation rises, diminishing the impact of the program and jeopardizing access to higher education for the neediest students. Congress previously rightfully recognized that similar to other entitlement programs, simple adjustments for inflation should not necessitate annual congressional action such as through appropriations. APLU urges Congress to prioritize extension of Pell mandatory inflation adjustments in HEA.

Some policymakers have proposed broadening eligibility for new short-term programs and unconventional companies/institutions to gain access to Title IV including Pell. APLU urges caution. While there may be some new programs that could provide valuable opportunities to students particularly in the space of workforce development, it is critical to be mindful of the evidence of the investments which have too often failed for students and taxpayers in recent years. Access to Title IV must remain appropriately protected or the appeal of federal dollars will further attract unscrupulous actors which often leave students with insurmountable debt and either no credential or one of little value. The repercussions can be calamitous not just for students but also taxpayers.

Student Aid Simplification

APLU has also been greatly concerned about some proposals to "simplify" federal student aid. While APLU has no objections to simplification in concept, it is important recognize that aid programs often serve unique not redundant purposes. Additionally, "simplification" is often used as a friendlier term for cuts. While proposals to reform the federal student aid system, including "One Grant, One Loan" should be reviewed by looking at all reforms as part of a broad system rather than piecemeal, we are concerned with proposals to eliminate subsidized undergraduate Direct Loans, elimination of Supplemental Education Opportunity Grants, and elimination of Graduate Plus loans. The private market is not a viable alternative to the federal financial aid system. The federal government's role is both advantageous to students and our nation by fostering broad access to higher education, particularly for those students who otherwise would not have means to go to college.

Graduate Education

A graduate degree is increasingly seen by employers as a necessary credential. Many of the skilled jobs of today require a level of education and training that goes beyond an undergraduate degree. According to the Bureau of Labor Statistics, occupations that typically require post-baccalaureate study are expected to grow the fastest. Through 2022, positions requiring a master's degree are expected to grow 18 percent.^{xxv} Over the next decade, 16 percent growth is expected in positions requiring a doctoral or professional degree.^{xxvi} Despite the increasing importance of an advanced degree, just within the past decade, policymakers repeatedly have made decisions to the detriment of graduate students, sometimes as an offset for supporting undergraduate students.

Some policymakers seemingly dismiss the need to support graduate education because of the expectation that the students will earn significantly more over their lifetimes. While for some positions this may be accurate, there are no shortage of public service occupations with relatively low or moderate salaries that increasingly require an advanced degree such as teachers and nurses.

Some recent examples of how federal policy changes have disadvantaged graduate students include the repeal of in-school interest subsidies for graduate students, the higher interest rates graduate students pay on direct loans, higher origination fees for PLUS loans, and most recently, the loss of eligibility for Perkins loans. These should be reversed so that undergraduate and graduate students alike are strongly supported.

Degree Completion

As colleges and universities advocate for increased federal student aid, it is fair to ask what institutions are doing to improve degree completion. A central focus of colleges and universities must be to increase degree completion and significantly limit the number of students who enroll in college, accrue debt, but do not receive a degree. Nearly 66 percent of students who graduate from high school continue on to attend college.^{viii} And not nearly enough of those students complete their degrees, which helps explain why the United States lags behind a number of advanced countries in degree attainment. Increasing degree completion would help narrow the educational attainment gap between the United States and its peers. It could also help significantly reduce loan defaults. Degree completion overwhelmingly leads to successful repayment of student loans. Student borrowers holding a bachelor's degree account for just 1.1 percent of all student-loan defaults.^{ix}

Institutions are increasingly adopting evidence-based approaches to boosting degree completion on their campuses. Many institutions are using predictive analytics and web-based advising to help students chart a clear path to graduation.^x Some are providing retention micro-grants to low-income students who just need a small bridge of funding to get through a difficult time, such as students who may be as far along as their senior year and on track to graduate, but at risk of dropping out because they are just a few hundred dollars short on tuition.^{xi} And still other institutions have proven that an advising session at the beginning of a student's senior year can appreciably increase their chances of graduating.^{xii} All of these approaches are showing promise and while they all can't be emulated at every institution with the same results, they will collectively prove crucial to boosting student success both before and after graduation.

Transparency of Higher Education

Comprehensive, accurate data on student outcomes at each college and university in the U.S. are considerably lacking. We simply do not know enough. As a result, students and families are left in the dark as they make the critical decision about which college or university to attend; policymakers struggle to appropriately hold accountable institutions receiving taxpayer dollars; and institutions lack the information they need to assess their performance and improve. Congress should include the College Transparency Act, H.R. 2434/S. 1121, within HEA reauthorization to fix the problem.

The problem exists as a result of a provision included in the Higher Education Opportunity Act of 2008, which bans federal student-level data. The provision precludes the federal government from collecting and reporting information students and families need on outcomes at colleges and universities. Those who supported the ban expressed concerns with privacy and security of data as well as the potential for federal overreach. However, those apprehensions can be addressed through proper safeguards and should not be an excuse for impeding transparency and denying students and families better information.

Accurate graduation and employment rates are key areas in need of better data. There is no question that expanding career opportunities is a top reason why many students enroll and potentially invest significant time and resources in their college educations. In fact, in a national survey of freshmen, the top reason for going to college was to “get a better job.” Lifting the ban on student-level data for limited and relevant data collection would allow the federal government to provide aggregate information on employment outcomes, including salary, of graduates of institutions and academic programs. This data could show both short and long-term results. Importantly, the data could be broken down by academic program to account for significant differences among various disciplines. This could allow students and families to set realistic expectations of possible future earnings and appropriately minimize borrowing.

Institutional attempts to collect employment information through alumni surveys are no substitute for federal student-level data as surveys often suffer from self-selection bias and low response rates. State data systems are helpful, but are also incomplete as they are unable to account for students who cross state lines.

While the U.S. Department of Education’s revamped College Scorecard provides salary information, the data is not very useful and can be misleading. The Scorecard provides one aggregate salary figure for each institution, rather than breaking out the data by academic program. Further confusing the matter, the aggregate salary figure averages the earnings of individuals who earn a degree with those individuals who left without a degree – bringing down the average and obfuscating the economic benefits of earning a college degree.

The Scorecard thus obscures the large variations in salaries across programs and overlooks the benefits of earning a degree. Additionally, the data is incomplete as it only includes recipients of Title IV funding.

Student-level data is also needed to provide accurate persistence and graduation rates for postsecondary students. Because of the prohibition against student-level data, the federal government is unable to reliably and consistently report the outcomes of students after they transfer and has only recently added minimal reporting for part-time students. This is a huge problem since nearly 55 percent of those who earn a bachelor’s degree attend more than one institution and over 60 percent of students at community colleges attend part-time. Those students are not counted and most people looking at the College Scorecard and other transparency sites have no idea that the data

is so incomplete. Only 47 percent of postsecondary students meet the “first-time, full-time” criteria of the federal graduation rate.

As the federal graduation rate is often used as an indicator of student success and institutional performance, there is a lack of comprehensive and accurate information for prospective students and their families, for policymakers, and for institutions themselves. The Student Achievement Measure (SAM) is a voluntary initiative that helps to fill the information gap by providing a set of progress and completion outcomes for full-time, part-time, and transfer-in students who attend one institution or multiple institutions. Developed as a cross-sector initiative in 2013, the SAM project is a collaboration among six higher education associations and is led by APLU and the American Association of State Colleges and Universities (AASCU). SAM currently has more than 600 participating institutions that represent 38 percent of the undergraduate enrollment in the U.S. SAM outcomes data can be found on a common, public website: <http://www.studentachievementmeasure.org>.

The SAM metrics are an effective short-term solution that provides helpful information to consumers, policymakers, and institutions. However, the larger challenge remains – lifting the ban on the collection of student-level data so that more accurate and comprehensive outcomes measures (like the SAM metrics) could replace the current federal graduation rate and be used for all institutions. SAM provides a powerful model of the type of information that would be available if the ban were lifted. However, SAM is voluntary and is therefore not the official data included in the U.S. Department of Education’s College Scorecard, the U.S. Department of Veterans Affairs’ college comparison resource, or other public and private transparency tools.

APLU was deeply engaged in the development of The College Transparency Act (CTA), H.R. 2434/S. 1121. CTA appropriately balances concerns about privacy and security while providing the key information needed by students and families, policymakers, and institutions. APLU strongly urges Congress to include CTA within HEA reauthorization. Higher education data and transparency is an area of particular APLU interest and expertise.

Encourage States to Reinvest in Public Higher Education

Polls consistently show college affordability as an area of substantial anxiety for Americans. Their anxiety is understandable.ⁱ Tuition at all institutions, public and private, has increased well beyond inflation. While tuition is higher, public institutions throughout the nation have worked diligently to keep in-state tuition affordable. For example, on average full-time, in-state students paid \$3,980 for tuition and fees in 2015-16 as compared to \$14,890 at a private university.ⁱⁱ Postsecondary education remains the best investment people can make in themselves as well as the best investment government can make in the future of its citizens. Additionally, public institutions provide the most affordable way to realize the lifetime of benefits that come from a higher education.

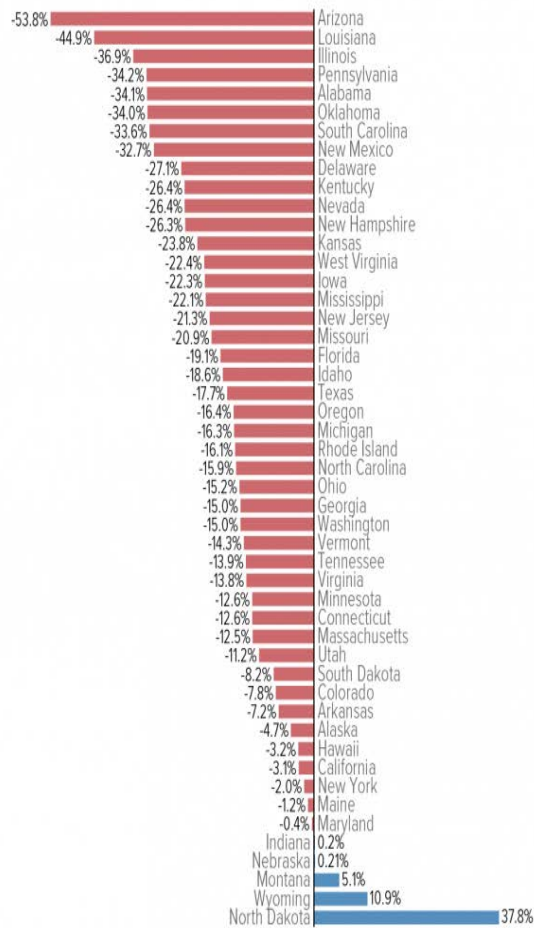
Strong state funding of public colleges and universities is what historically allowed such institutions to charge little or no tuition. Alternatively, sharp declines in state support per student are the driving force behind tuition increases at public universities. In fiscal year 2016, 46 states are spending less per student than before the recession. While some states have begun to restore funding, average state spending remains 18 percent lower than before the recession in 2008.ⁱⁱⁱ While the Great Recession sharpened the rate of disinvestment, the shift from state funding to student/family funding unfortunately goes back much farther. In 1988, 48 states contributed more per-student to public higher education than students paid in tuition. The relationship has now flipped in many states. In 2015, students paid a higher amount in tuition than state per-student funding in 22 states, with six states requiring students to shoulder the costs by a ratio of 2-to-1.^{iv} This trend is simply unsustainable if the United States is to remain a competitive global innovator.

Furthermore, with a college degree never being more important to attaining the American Dream, achievement gaps and inequality will be exacerbated if higher education is increasingly seen by low-income students and families as out of reach. The result would be unrealized individual potential and a loss to society. An individual with a college degree contributes more in taxes and costs the

state substantially less in public assistance. A public investment in higher education is necessary from both an individual and societal standpoint. States need to once again do their part and the federal government can be an effective and galvanizing partner.

State Funding for Higher Education Remains Far Below Pre-Recession Levels in Most States

Percent change in state spending per student, inflation adjusted, 2008-2017



Note: Wisconsin was excluded because the data necessary to make a valid comparison are not available. Since enrollment data is only available through the 2015-16 school year, we have estimated enrollment for the 2016-17 school year using data from past years.

Source: CBPP calculations using the "Grapevine" higher education appropriations data from Illinois State University, enrollment and combined state and local funding data from the State Higher Education Executive Officers Association, and the Consumer Price Index, published by the Bureau of Labor Statistics. Illinois funding data is provided by Voices for Illinois Children.

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APLU strongly supports the establishment of a federal-state partnership in which the federal government incentivizes states to reinvest in public higher education. In our view, this is the most effective policy solution the federal government can enact to improve higher education access and affordability for the vast majority of students and families. Students at public institutions comprise nearly three quarters of all those enrolled in postsecondary education.

APLU supports the partnership program included in the 2014 Higher Education Act reauthorization bill, the Higher Education Affordability Act from the 113th Congress, S. 2954.^v We also support the main concept behind Senator Ron Wyden's (D-OR) PARTNERSHIPS Act, S. 2191.^{vi} In general, we think the ideal approach would be as simple, voluntary and non-punitive as possible, in order to defend the program from charges of federal overreach and micro-management of state policy. At the same time, the incentive in the bill—the federal match— should be configured in a manner that would create real benefits for states stepping up to partner with the federal government. While appropriate safeguards should be put in place to ensure funding is properly used, we think a partnership program should focus on the core concept of state reinvestment and minimize the inclusion of additional provisions to accomplish other policy goals as such provisions may reduce

Affordable and accessible higher education should begin with states reinvesting in public higher education and that there is a federal role to incent such investment. The details of how a partnership program would work are critical to its success.

Ultimately, a partnership program must recognize that while states have reduced higher education support, they have not reduced oversight or regulations on public institutions. In encouraging state participation, the incentive program should not add new regulatory burdens on top of those which already exist. The federal role should be to spur states to reinvest employing proper safeguards to ensure new funding does not supplant existing appropriations. Adding additional federal layers of regulation in the domain of what is appropriately state and institutional discretion, such as tuition setting and admissions, would be of significant concern.

Expect More from Higher Education and Protect Students

Strengthening Title IV Institutional Eligibility

The federal government should expect more from its investment in higher education.

The U.S. Department of Education has a trillion dollar loan portfolio, extends over \$100 billion in new student loans each year, and provides more than \$30 billion annually in Pell Grants.

These programs and efforts are essential for a vibrant, successful, and diverse higher education system. Higher education is one of the most critical investments our nation can make for economic growth, global competitiveness, and social mobility. Yet, despite both the size and importance of its investments through Title IV of the Higher Education Act, the Department of Veterans Affairs, the Department of Defense, and tax credits, the federal government does not do enough to hold poorly performing institutions accountable. Targeted reforms are needed to improve the stewardship of taxpayer dollars and protect students who may attend institutions that saddle them with debt without providing an education that helps them succeed.

While there has been much recent attention on forgiving loans of students who attended institutions that misled them with overstated student outcomes, we believe it would be more effective for the federal government to create and implement policies which would prevent chronically low performing schools from receiving Title IV funding in the first place. Institutions that persistently perform poorly and burden students with debt without improving their career and life prospects should be identified and subject to greater scrutiny and the possibility of sanctions, including the potential loss of access to federal financial aid.

APLU recognizes that addressing the challenge of very low performing institutions while protecting students and their access to a high quality education are complex problems, particularly within a very large system of federal financial aid and thousands of institutions with diverse missions and student populations.

Comprehensive Approach to Institutional Eligibility

The “institutional eligibility” determinations made by the Department of Education for institutional participation in Title IV should be strengthened. The current requirements for institutional eligibility are remarkably lenient, subject to manipulation, ineffectively enforced, and moving toward irrelevance. Under current rules, an institution is subject to the loss of Title IV eligibility if its three-year cohort default rate (CDR) exceeds 30 percent for three successive years or if the three-year rate is greater than 40 percent in any one year. In 2015, only 15 institutions out of the more than 7,000 that participate in the Title IV program were subject to sanctions that could lead to their loss of eligibility to participate in Title IV programs.^{xiii} The CDR default rate test clearly is failing to capture some institutions that are not doing right by their students. Furthermore, with the increasing use of income-driven repayment options, the default rate alone is an inadequate metric to determine the ability of an institution’s students to repay their loans.

APLU recommends a comprehensive overhaul of the current institutional eligibility system to develop a more robust process that fairly evaluates institutional performance for the allocation of Title IV funding and better protects students and taxpayer expenditures. Ideally that process would include a limited set of meaningful outcome metrics, such as the following.

- Student progress and completion rates: The rates used to judge the educational success of an institution's students should be a comprehensive measure, such as provided through the Student Achievement Measure (SAM),^{xiv} rather than the incomplete and misleading federal graduation rates.
- Post-collegiate employment and other outcomes: Employment rates, enrollment in an advanced level of education, and military service are indicators of the quality of the education provided by an institution.
- Loan repayment rates: Student loan repayment rates are an earlier and better indicator of students' ability to pay down their debt than loan default rates and less prone to manipulation. (For example, Corinthian Colleges reduced their three-year CDR from 29.2% in FY2009 to 18.7% in FY2010, a 10.5 percentage point decrease in just one year. The reduction in the default rate was possible by moving large numbers of students into forbearance status. This manipulative practice would have no impact on repayment rates.)^{xv}

Given the diversity of students enrolled in postsecondary institutions, student outcomes from a particular institution should be evaluated only after taking into consideration the level of preparation and entering characteristics of the institution's student body. It would be inherently unfair to compare the performance of a very selective university with an open enrollment college. A variety of "input adjustment" statistical models for comparing outcomes have been tested and effectively applied in other educational contexts, including foundational work by APLU on a "student readiness index."^{xvi}

After adjusting for student preparation and/or characteristics, very low performing institutions would be subjected to closer scrutiny and the possibility of sanctions that could result in partial or full withdrawal of future Title IV funds. The current "all or nothing" eligibility determination is part of the reason very few institutions are currently penalized and is why partial loss of eligibility should be available as a sanction. The same method could be used to identify institutions performing much better than expected, for recognition or reward such as additional dollars to support underrepresented or disadvantaged students.

Unfortunately, the necessary student-level data does not exist within the federal government to calculate key outcomes metrics for student retention, graduation, or post-collegiate outcomes. Student-level data is also required to support a robust statistical model for appropriately adjusting outcomes at a national scale. Expanding the options for reforming the current institutional eligibility system is another important reason for lifting the ban on a postsecondary student unit record system.

Simplified Approach to Institutional Eligibility

As a comprehensive solution may not be feasible in the short-term, options for a scaled-down approach would serve as a significant first step.

Option 1. In place of a more sophisticated input adjustment model, minimum thresholds for retention rates, graduation rates, default rates, and repayment rates could be developed based on institutional selectivity indicators. This is information that is all currently available at the institution level in Department of Education data sets. Because of the limitations and gaps within the current Department of Education data, institutions falling below the thresholds would need appropriate mechanisms to respond with additional data or evidence before any sanctions were applied.

Option 2. A more targeted solution would focus only on the very lowest performing institutions by identifying absolute minimum thresholds for student outcomes on key metrics such as graduation rates and loan repayment rates. The thresholds would be used to identify the very worst performers. If an institution's performance was below these thresholds, it would be subject to immediate scrutiny and the potential reduction or loss of Title IV funds.

Institutions identified by the "minimum thresholds" in either option should have the opportunity for improvement and the Department should have a range of penalties that potentially could be used to motivate improvement. By having a range of penalties from a modest reduction of Pell Grants or loan funds, through more significant reductions, to a complete loss of grant and loan funds, the Department could execute a more nuanced response to institutions. A small reduction in grant and loan funds could be tied to a small reduction in new enrollment at the institution and a plan from the institution, approved by its accreditor, to improve its overall performance and address the threshold violations that necessitated this response. Improvements could result in reduction or elimination of the penalty while persistent underperformance could result in increased penalties.

If the first stage of a mandated self-improvement does not result in progress, the Department could move to completely revoke Title IV eligibility, allowing no new enrollment of Title IV recipients, which may lead to the institution closing in stages based on a teach-out plan for the college or university's students to complete their work at the institution. Alternatively, the Department may decide Title IV eligibility may need to be revoked quickly and will require the institution to develop a teach-out plan that utilizes other institutions where its students may complete their work.

The college or university's accreditor would be involved in this process with the Department and would provide guidance and assistance for the institution's development and execution of its self-improvement plan.

Differential Accreditation: Focus Accreditor Resources Where Most Needed

Regional accreditation has been a long standing and important way to assure the public that educational institutions meet expected standards of quality. What began as a voluntary system to

provide these assurances has developed into a more complex system that performs many additional functions. The Higher Education Act has not kept up with changes in the role of accreditors nor the new tools to assess institutional performance and risk to students and taxpayers. The Corinthian example unfortunately highlights the critical need for accreditation reform.

A differential or “risk-based” approach to accreditation is part of the solution. This new approach should include two core concepts:

- 1) All institutions should go through the accreditation process, but consistently high achieving institutions should not go through the same burdensome and expensive process as low performing institutions. Accreditor resources should be focused where they are needed the most and not unnecessarily expended on the high-performers.
- 2) Accreditors should use more outcomes data as part of their process, e.g. graduation rates, employment outcomes, loan default and repayment rates.

As institutional performance data has become available, assessments of higher education have been shifting to a greater focus on outcomes. However, in the case of accreditation, many vestiges of the input/process model remain and much of that was put in statute as part of the Higher Education Act. With better outcomes data becoming more readily available, it is important to revise or remove some of the input/process components and shift the focus for accreditation to a more outcomes-based model.

Another vestige of the inputs/process model is that accrediting agencies require every institution to follow the same process for the reaffirmation of accreditation, with some exception tied to the mission of the institution, regardless of institutional performance and risks to students and taxpayers. We applaud the Department of Education for recently clarifying that it favors various forms of a differential accreditation review process.^{xvii} However, since the Department is merely advising the accreditors that they have the discretion to apply a differentiated approach, the Department’s actions are relatively weak.

APLU strongly believes the existing process is wasteful of both institutional and accreditor resources and more importantly does not optimally protect students and taxpayers as attention and resources are not as focused on the institutions needing the most attention. The core concept of differential accreditation is that an institution with a 90 percent graduation rate, a loan default rate of 3.5 percent and no difficulties in administering financial aid, does not need as much attention as an institution with a 30 percent graduation rate and a 24 percent default rate, for example. There is simply less risk in the first case that the institution would have any quality or financial difficulties of the sort that would be of concern to the Department of Education.

As part of a differential accreditation approach, the process should move toward using more performance outcome measures as indicators of quality. Such indicators are to be part of all accreditation processes and for those institutions with high performance results, could serve as the basis for alternative, flexible review processes. For many institutions, going through the accreditation process is needlessly time-consuming and costly, distracting attention from advancing the institution’s educational, research, and outreach missions.

APLU proposes regional and national institutional accrediting agencies be required to use three broad categories of outcomes data (comprehensive graduation rates, financial sustainability measures, and employment outcomes) as part of assessing the accreditation status of a postsecondary institution. We recommend that accreditors be required to use these categories in determining the appropriate level of review, with high performing institutions requiring less attention. All institutions would need to meet standards for reaffirmation of accreditation, but the process used would vary based on the performance outcome of institutions.

Protect Student Veterans and Servicemembers: Close the 90/10 Loophole

The 90/10 rule within the Higher Education Act precludes for-profit colleges and universities from receiving more than 90 percent of their revenue from federal student aid. However, the rule does not include revenue from Department of Defense (DOD) and Department of Veterans Affairs (VA) student aid. This loophole has had significant repercussions, making servicemen and women and veterans targets of aggressive recruitment campaigns by some unscrupulous institutions.

The 90/10 rule was developed to be a quality assurance indicator for an institution through its accountability to the free market. We understand that DOD and VA educational programs differ in character and standing from the Department of Education Title IV programs and are generally considered entitlements provided to active military service personnel and veterans; however, with some institutions receiving nearly 100 percent of their funding from federal sources, that quality assurance metric is invalidated^{xviii}. This change will assist in protecting veterans and other students by offering a more comprehensive assertion of educational institutional quality.

Risk-Sharing: The Wrong Approach

As discussed, APLU recognizes and supports appropriate efforts to hold institutions of higher education more accountable. There are positive policy proposals that would help protect students and taxpayers as well as proposals we think would have severe unintended consequences, which ultimately set back the interests of students and taxpayers. The “risk-sharing” concept, in which institutions would be financially liable for loan defaults or slow repayment of its students, in our view, falls within the latter category.

APLU is greatly concerned that risk sharing would ultimately encourage institutions to minimize “risk.” That is, the policy would essentially drive many institutions to favor admission of students who are the least likely to default or repay their loans. As policymakers highlight real concerns about achievement gaps and income inequality, we should be working to make higher education more, not less, accessible to low and middle income families.

The land-grant system was created to democratize higher education, to make what was once a privilege for the elite and wealthy class, an option for more Americans. A broad risk-sharing policy would promote an environment in which students from advantaged backgrounds could be more appealing to institutions as a means of reducing risk of federal penalties.

Public institutions, particularly those most suffering from state disinvestment in public higher education and those which admit high numbers of Pell recipients and first generation students such as the historically black 1890s land-grant institutions, would have no option, but to pass the costs of risk sharing on to students and families in the form of increased tuition and fees and/or reduced academic services. Risk sharing might require institutions to take out special insurance policies to mitigate their risk, or set aside funds which should be used to support its academic mission, in the event of incurring penalties under the policy.

Making public higher education more affordable through a federal-state partnership would help ensure progress in reducing loan defaults and ensuring more borrowers successfully repay the principal of loans. Improving accountability can be accomplished by strengthening the Department of Education's enforcement of Title IV institutional eligibility as outlined, reforming accreditation to include a differentiated approach, and also closing the 90/10 loophole, which incents the for-profit sector to aggressively and often abusively pursue military and veteran students.

Campus Safety and Security: Combatting Sexual Assault

Providing a safe learning and work environment for students, faculty, and staff is of paramount importance to our public universities and is necessary for institutions of higher education to be truly successful in their public service missions of education, research, and outreach. To universities, Clery Act statistics are not just numbers on a page; they are their students. Public universities welcome a partnership with the federal government in ways that will enhance the tools universities have to combat campus sexual assault and buttress the extensive efforts by institutions to address the problem.

National public affairs campaigns combined with institutional efforts such as Rutgers University's work on campus climate surveys^{xix} and the University of New Hampshire's work on bystander intervention,^{xx} have productively underscored the critical issue of sexual assault on our campuses and also increased the understanding of a very complex issue.

Institutional efforts to better understand the problems surrounding sexual assault, such as campus climate surveys, have demonstrated that multi-faceted solutions are required to address this societal issue within and outside of our campuses. For example, Rutgers' longitudinal campus climate surveys revealed that one in four of their undergraduate female students report they experienced sexual violence prior to enrolling at the university.^{xxi} According to U.S. Department of Justice statistics, female students between the ages of 18 and 24 who are enrolled in college are 20 percent less likely than non-students of the same age to be victims of sexual assault.^{xxii} However, male college-aged students are more likely than non-students to be victims. Enhanced prevention and education efforts for male and female students at earlier ages combined with evidence-based efforts by institutions of higher education are necessary to combat sexual assault. Additional federal investment in research in the area of sexual violence as well as bullying would help determine best practices and contribute greatly to efforts to reduce the frequency of incidents.

While institutions, government, and law enforcement should increase efforts to prevent campus sexual assault, we also recognize that even the most effective policies will not prevent all incidents. Institutions are expanding support services for survivors and should continue to do so. It is also critical that colleges and universities continue to create campus cultures in which students are comfortable reporting sexual assaults because they know the campus both cares and has evidence-based resources to support them.

Legislative efforts to address campus sexual assault, such as the Campus Accountability and Safety Act (CASA),^{xxiii} have also received significant attention. While CASA includes some positive ideas to help combat campus sexual assault and newer versions of the legislation are significantly improved, we believe further improvements should be made. We caution against a one-size-fits-all approach that assumes immense similarities among the over 4,000 accredited colleges and universities across the United States. Legislation should account for existing and effective institutional policies and/or local or state laws that govern how campuses are to address sexual violence. The most successful legislation would set clear federal priorities and provide institutions with support and flexibility to meet such requirements with efforts that best fit their student and campus characteristics. This approach would ensure that resources are used to their greatest effect for students' well-being.

Higher Education Regulations: Modernize, Streamline, and Focus

APLU recognizes the strong need for effective federal regulation of institutions of higher education to protect the public interest. It is acceptable that some regulations be expensive and burdensome provided the need for the regulation outweighs the costs. As an example, APLU has stood out within the higher education community for not supporting the repeal of gainful employment regulations, which while imperfect, do help protect the public from failing academic programs and institutions. Not all Department of Education regulations are as essential, however. There are numerous examples of regulations that significantly and needlessly add to the operating costs of institutions, which ultimately distract from and drive up the price of providing education to students.

To review the impact of federal regulations on higher education institutions and recommend solutions to streamline them, a bipartisan group of senators, including Chairman Lamar Alexander (R-TN), Barbara Mikulski (D-MD), Michael Bennet (D-CO), and Richard Burr (R-NC), appointed 16 diverse higher education leaders to the Task Force on Federal Regulation of Higher Education. The Task Force made more than 50 specific recommendations for easing the regulatory burden on institutions without compromising legitimate federal oversight.^{xxiv} Congress and the U.S. Department of Education should act on the recommendations to aggressively and often abusively pursue military and veteran students.

Global Learning Should Not Be A Luxury

Sustain Title VI International Education Programs

The Department of Education's International and Foreign Language Education (IFLE) programs are essential to producing U.S. area studies and foreign language experts who can navigate and excel in an increasingly interconnected world. As scientific, economic, and technological challenges become ever-more global in nature, excellence in less commonly taught languages and cultural studies is imperative to ensure the United States can collaborate and compete. Exposure to foreign language and culture improves grade point averages and completion rates, as well as employability and career skills. When afforded the opportunity to attain global competencies, students are best poised to strengthen U.S. economic competitiveness, address global challenges that have no borders, enhance national security and diplomacy, preserve international leadership, and respect the value of multiculturalism. Title VI programs are also vital to connecting U.S. campuses and students to the world. This partnership between universities and government ensures a steady supply of specialists with deep expertise exists so that the United States is prepared to meet expanding diplomatic and national security needs. Federal agencies, including the Departments of Defense, Commerce, and State depend upon the Title VI education infrastructure in order to further their respective goals.

APLU encourages reauthorization of six currently funded Title VI programs: National Resource Centers; Foreign Language and Area Studies (FLAS) Fellowships; Language Resource Centers; Centers for International Business Education and Research; Undergraduate International Studies and Foreign Language Programs; and American Overseas Research Centers.

Expand Study Abroad Opportunities for Undergraduate Students

No international education experience is as transformative for students as study abroad. There is simply no match for inspiring students to think globally. In an increasingly global environment, an international experience is an essential element to a well-rounded education and building a workforce equipped to compete. However, only 1.5 percent of all U.S. students study abroad and 53 percent of those students choose to study in Europe.^{xxvii}

Consistent with the goals of the study abroad commission established by Congress and chaired by APLU President Peter McPherson, known as the Commission on the Abraham Lincoln Study Abroad Fellowship Program,^{xxviii} the next administration should make the expansion of study abroad opportunities a priority. Grants to institutions of higher education would leverage resources, remove barriers to participation in study abroad, and create lasting change on campus. Preference should be given to institutions that increase the diversity of study abroad participants and promote non-traditional study abroad locations. This leveraging of resources would have a significant impact on the number of U.S. students studying abroad for relatively low levels of funding. Study abroad experiences should not just be a luxury for only those students from advantaged backgrounds. Expanding participation must be a national priority.

The Senator Paul Simon Study Abroad Program Act, H.R. 4379 and S. 601, introduced by Senators Durbin (D-IL) and Wicker (R-MS) and Representatives Bustos (D-IL) and Ros-Lehtinen (R-FL), would create a new study abroad program within the Department of Education.

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<https://www.congress.gov/bill/114th-congress/house-bill/2518/>
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